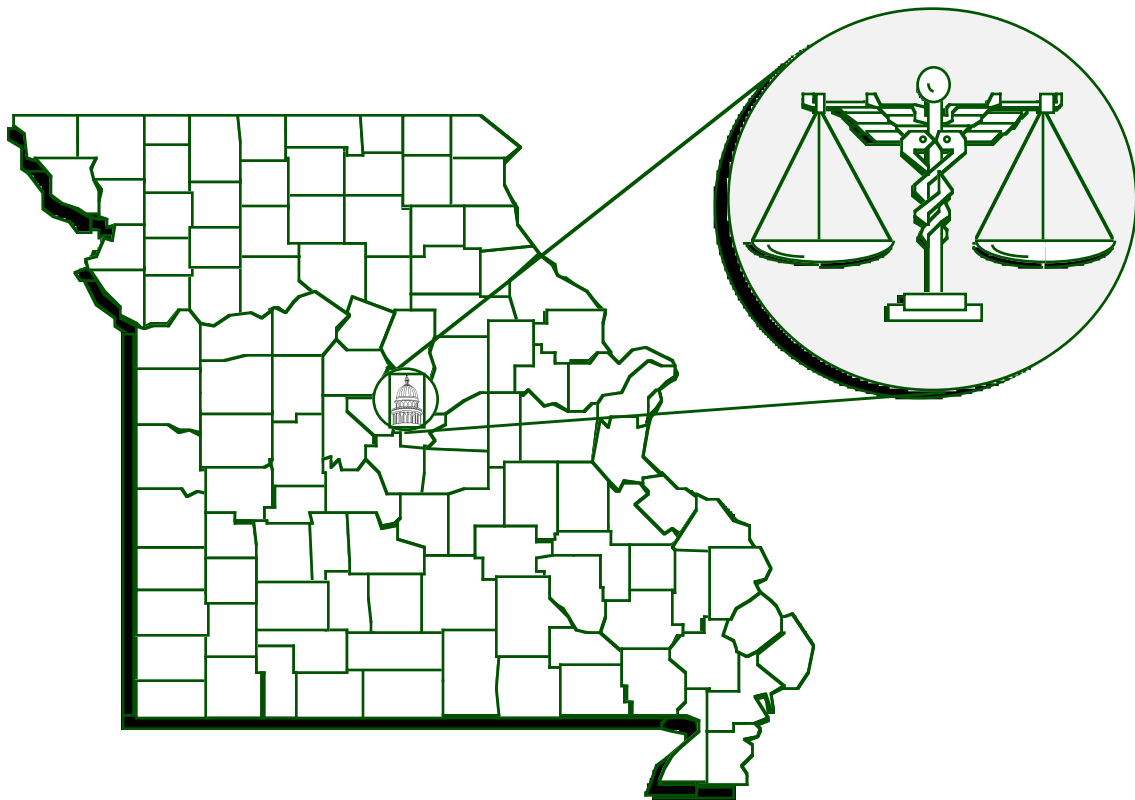


# **Missouri Health Facilities Review Committee**

## **Certificate of Need Meeting Compendium**



**Sept. 18, 2006**

**State Capitol Building  
House Hearing Room 7  
Jefferson City, MO**



# MHFRC

[www.dhss.mo.gov/con](http://www.dhss.mo.gov/con)

H. Bruce Nethington, Chair  
Milamari A. Cunningham, M.D., Vice-Chair

## Missouri Health Facilities Review Committee

915G Leslie Blvd., Jefferson City, MO 65101 Voice: (573) 751-6403 Fax: (573) 751-7894

Catherine L. Davis, RN, PhD  
Marion S. Pierson, MD

Rep. Thomas A. Villa  
Rep. Kenny Jones

Senator Yvonne Wilson  
Senator Bill Stouffer

### Memorandum To Missouri Health Facilities Review Committee

From: Thomas R. Piper, Director  
Certificate of Need Program

Date: August 29, 2006

Subject: **September 18, 2006, Certificate of Need and Administrative Meetings**

This mailing is sent in preparation for our upcoming Administrative and Certificate of Need meetings on September 18, 2006. Your copies of the applications to be heard at this meeting are also included in this mailing. Additional information we have received has been placed in the appropriate application. Updates will also be provided before the next meeting.

Your Compendium is a regular "Spiegel Version" which includes the latest Certificate of Need Meeting staff analyses and Administrative Meeting materials (depending on which cover of the document you start from). This Compendium will be a helpful aid to you in preparation for and during the meeting.

#### **Monday, September 18, 2006**

- 9:00 a.m. Certificate of Need Meeting  
House Hearing Room #7  
Capitol Building
- 12:00 p.m. Administrative Meeting (*time is approximate*)

**Please RSVP to our office** by phone or email to let us know whether or not you are planning to attend the meeting, and if you will need housing on Sunday night.

Feel free to contact us if you have questions regarding the agenda items or any other concerns. We look forward to seeing you at the next meeting.

TRP/ds

Enclosures: Compendium  
Applications

**Missouri Health Facilities Review Committee**  
**Certificate of Need Meeting**  
September 18, 2006, 9:00 a.m.  
House Hearing Room 7, Capitol Building, Jefferson City

**Tentative Agenda**

**A. Committee Business**

1. Review and Perfect Agenda
2. Present Mission Statement
3. Review Registered Representative Log
4. Present Meeting Protocol
5. Approve Minutes (July 17, 2006, CON and Admin. Meetings)

**B. Old Business (none)**

Filing Date/Reviewer

**C. New Business: Expedited applications (none)**

Application Project Number & Name/City & County/Cost & Description

**D. New Business: Full applications**

- |                  |  |
|------------------|--|
| 07/06/06<br>(MH) | 1. <b>#3925 FS:</b> Kansas City Cancer Center<br>Kansas City (Platte County)<br>\$1,948,695, Replace linear accelerator                      |
| 07/06/06<br>(DS) | 2. <b>#3960 HS:</b> St. John's Mercy Hospital<br>Washington (Franklin County)<br>\$1,876,645, Acquire second MRI                             |
| 07/06/06<br>(DS) | 3. <b>#3961 HS:</b> St. John's Mercy Medical Center<br>St. Louis (St. Louis County)<br>\$1,549,500, Acquire seventh CT scanner               |
| 07/06/06<br>(DS) | 4. <b>#3963 HS:</b> St. John's Mercy Medical Center<br>St. Louis (St. Louis County)<br>\$4,428,000, Acquire fourth linear accelerator        |
| 07/07/06<br>(MH) | 5. <b>#3964 HS:</b> St. Joseph Medical Center<br>Kansas City (Jackson County)<br>\$2,006,176, Acquire second electrophysiology laboratory    |
| 07/07/06<br>(DS) | 6. <b>#3959 HS:</b> Saint Louis University Hospital<br>St. Louis (St. Louis County)<br>\$6,365,000, Acquire stereotactic radiosurgery system |
| 07/07/06<br>(MH) | 7. <b>#3965 HS:</b> Barnes-Jewish Hospital<br>St. Louis (St. Louis City)<br>\$19,600,000, Acquire proton beam therapy system                 |

**E. Other Business**

- |      |   |
|------|---|
| (DS) | 1. <b>#3764 HS:</b> Levering Regional Health Care Center<br>Hannibal (Marion County)<br>\$3,720,630, Request for second extension |
|------|---|

*\* To the left of each project listed on the agenda is a set of initials which depicts the planner assigned to review the project (MH: Mike Henry and DS: Donna Schuessler). If a date is shown above the initials, it indicates the date on which the application was submitted.*

*This is an Open Meeting and the public is welcome to attend. Individuals may speak only if called upon by a Committee member. Closed session(s) will be held in accordance with §610.021 RSMo for purposes of discussing legal or personnel issues at any time during this agenda.*

*August 29, 2006*

- (MH) 2. **#3869 NM:** Lutheran Convalescent Home at Laclede Groves  
St. Louis (St. Louis County)  
\$1,450,100, Request to reissue CON for cost overrun of \$450,100
- (DS) 3. **#3935 HM:** St. Luke's Hospital  
Chesterfield (St. Louis County)  
\$3,350,000, Request to reissue CON to change owner
- (DS) 4. **#3771 HM:** St. John's Mercy Medical Center  
St. Louis (St. Louis County)  
\$3,990,000, Request to reissue CON to change owner
- (DS) 5. **#3353 HM:** Greater PET Services of Missouri  
St. Louis (St. Louis Co.); Sikeston (Scott Co.); Cape  
Girardeau (Cape Girardeau Co.); Crystal City (Jefferson  
Co.); Poplar Bluff (Butler Co.); Washington (Franklin  
Co.); Mexico (Audrain Co.); Rolla (Phelps Co.);  
Farmington (St. Francois Co.) and Perryville (Perry Co.)  
\$1,450,000, Reissue CON to add Parkland Health Center,  
Farmington (St. Francois Co.)
- (MH) 6. **#3773 NS:** The 5700 Properties SNF  
St. Louis (St. Louis County)  
\$8,400,000, Request for second extension and potential  
forfeiture of CON to replace 98-bed SNF
- (MH) 7. **#3758 NP:** Woodland Manor Nursing Center  
Arnold (St. Louis County)  
\$3,235,600, Potential forfeiture of CON  
for LTC expansion of 38 SNF beds
- (DS) 8. **#3765 NS:** Frene Valley Geriatric & Rehab Center  
Hermann (Gasconade County)  
\$2,000,000, Request to amend application
- (MH) 9. **#3500 NP:** Community Care Center of Lemay, Inc.  
St. Louis (St. Louis County)  
\$1,230,000, Potential foreiture of CON  
for LTC expansion of 45 SNF beds
- (MH) 10. **#3686 RS:** Parkview Residential Care  
Crystal City (Jefferson County)  
\$1,000,000, Potential forfeiture of CON  
to replace 51-bed RCF I

*\* To the left of each project listed on the agenda is a set of initials which depicts the planner assigned to review the project (MH: Mike Henry and DS: Donna Schuessler). If a date is shown above the initials, it indicates the date on which the application was submitted.*

*This is an Open Meeting and the public is welcome to attend. Individuals may speak only if called upon by a Committee member. Closed session(s) will be held in accordance with §610.021 RSMo for purposes of discussing legal or personnel issues at any time during this agenda.*

*August 29, 2006*

# Suggested Motions

## I. Motions for Action on Applications

### A. Approve as Submitted:

I move we certify a need for project# \_\_\_\_\_ as set forth in the application.

### B. Approve for Less:

I move we certify a need for less than what was originally sought in project # \_\_\_\_\_ by granting approval for all portions except the \_\_\_\_\_ which would be reduced from \_\_\_\_\_ to \_\_\_\_\_.

### C. Denial:

I move we refuse to certify a need project # \_\_\_\_\_ for the reasons set forth as follows (list reasons):

## II. Motions to Close Meeting (Closed Session)

### A. I move that this meeting be closed, and that all records and votes, to the extent permitted by law, pertaining to and/or resulting from this closed meeting be closed under Section 610.021 (choose one of the following):

1. Subsection (1) RSMo for the purpose of discussing **general legal actions, causes of action or litigation, and any confidential or privileged communications between this agency and its attorney.**
2. Subsection (3) RSMo for the purpose of **discussing hiring, firing, disciplining or promoting an employee of this agency.**
3. Subsection (13) RSMo for the purpose of making **performance ratings pertaining to individual employees.**
4. For the purpose of **reviewing and approving the closed minutes of one or more previous meetings** and which authorized this agency to go into closed session during those meetings.
5. Subsection (14) and Section 620.010.14, Subsection (7) RSMo for the purpose of discussing **investigative reports and/or complaints and/or audits and/or other information pertaining to a licensee or applicant.**

### B. I move that this closed meeting be adjourned and that we return to Open Session.

# Missouri Health Facilities Review Committee

## **Mission:**

To achieve the highest level of health for Missourians through cost containment, reasonable access, and public accountability.

## **Goals:**

- Review proposed health care services;
- Address community need;
- Manage health costs;
- Promote economic value;
- Negotiate competing interests;
- Prevent unnecessary duplication; and
- Disseminate health-related information to interested and affected parties.

# Registered Reps for September 18, 2006, Meeting

<u>Project Name and Description</u>	<u>Name, Title and Organization Represented</u>			<u>Phone No.</u>	<u>Position Advocated</u>
<b>3925 FS Kansas City Cancer Center Replace linear accelerator</b>					
DODSON, Doreen D.	Attorney	The Stolar Partnership	314-641-5184	Support	
HENNESSY, John E.	Executive Director	Kansas City Cancer Center, LLC	913-541-4607	Support	
TETTLEBAUM, Harvey M.	Attorney	Husch & Eppenberger, LLC	573-761-1101	Support	
<b>3960 HS St. John's Mercy Hospital Acquire second MRI</b>					
KALICAK, Donald E.	Exec. Dir., Planning	St. John's Mercy Health Care	314-364-3842	Support	
<b>3961 HS St. John's Mercy Health System Acquire seventh CT scanner</b>					
KALICAK, Donald E.	Exec. Dir., Planning	St. John's Mercy Health Care	314-364-3842	Support	
<b>3963 HS St. John's Mercy Health System Acquire fourth linear accelerator</b>					
KALICAK, Donald E.	Exec. Dir., Planning	St. John's Mercy Health Care	314-364-3842	Support	
<b>3964 HS St. Joseph Medical Center Acquire second electrophysiology equipment</b>					
CARNES, David	Dir. Strat. & Bus. Dev.	Carondelet Health	816-943-4518	Support	
<b>3959 HS Saint Louis University Hospital Acquire CyberKnife</b>					
ABRAHMS, Simon	Chief Strategy Officer	St. Louis University Hospital	314-577-8037	Support	
BUCHOLZ, Dr. Richard	Radiation Pgm. Director	St. Louis University Hospital	314-268-7015	Support	
HARBISON, Damon	Mgr., Radiation Medicine	St. Louis University Hospital	314-577-8815	Support	
HAYNES, Crystal	Chief Exec. Officer	St. Louis University Hospital	314-577-8017	Support	
NESTRICK, Ryan	Administrative Fellow	St. Louis University Hospital	314-577-8009	Support	
OLIVER, Dana	Biostatistician	St. Louis University Hospital	314-750-1933	Support	
WALZ, Dr. Bruce	Dir., Radiation Oncology	St. Louis University Hospital	314-268-7015	Support	
<b>3965 HS Barnes-Jewish Hospital Acquire proton beam therapy system</b>					
BRATCHER, Greg	Dir. of Policy Analysis	BJC HealthCare	314-286-0629	Support	

(Sorted by project number as they appear on the agenda)

Report Date: 06/22/06

# Missouri Health Facilities Review Committee

## MEETING PROTOCOL

### Presenter Information

- REPRESENTATIVE REGISTRATION FORM  
All presenters must complete and sign a “**Representative Registration Form**” and give the completed form to the Sign-In Coordinator **prior to speaking**. This form is available on a table near the entrance to the meeting chamber.
- APPLICANT PRESENTATION OF “KEY POINTS” AND SUMMATION  
The applicant’s presentation should be a “key points summary” **based on the written application and should not exceed 10 minutes** inclusive of all presenters with 5 minutes additional time for summation before the staff wrap-up.
- WRITTEN APPLICATION REMINDER  
Applicants are reminded that **no new material** beyond the written applications is to be introduced, and no materials or additional papers are to be distributed at the meeting.
- AFFECTED PARTIES PRESENTATIONS  
All “affected parties” presentations are limited to 3 minutes per person, **up to a maximum per project** of 90 minutes collectively for supporting, 20 minutes for neutral, and 90 minutes for opposing presentations.
- APPLICANT SUMMATION  
The summation is intended to recap the key points made by the applicant. Rebuttals of “affected parties” presentations by applicants are generally discouraged and will not normally be entertained from the floor.

### General Information

- RESERVED AREA  
**Reserved Area** is to be used by the applicant and supporters during the applicant’s presentation only and then vacated for the next group.
- PRESENTATION AREA  
Individuals waiting to present shall remain clear of the presentation area until specifically called by name or upon “open call” by the chairman.
- TIME MONITOR  
Prescribed time limits will be monitored by the Time Keeper. Presenters shall observe the Time Keeper’s indications of lapsed time to ensure each presenter has an opportunity to present within the allotted time.



# MHFRC Meeting Format

## Missouri Health Facilities Review Committee

### MEETING FORMAT

Time	Function	Activities and Condition
10 minutes	Staff Presentation	Presentation of staff analysis concentrating on need, financial feasibility, special needs, and cost effectiveness.
As needed	Committee Questions	Staff responds to Committee questions.
10 minutes	Applicant Presentation	Presentation of application concentrating on need, financial feasibility, special needs, and cost effectiveness. No introduction of new material and no distribution of additional papers.
As needed	Committee Questions	Applicant responds to Committee questions.
3 minutes per person	Presentations by affected parties <b>supporting</b> the project.	Individual presenters provide <i>supportive</i> information relevant to need, special needs, financial feasibility, cost effectiveness and how the proposal affects presenter.  (One spokesman per group preferred.)
As needed	Committee Questions	Affected parties respond to Committee questions.
3 minutes per person	Presentations by affected parties <b>neutral</b> to the project.	Individual presenters provide information relevant to need, special needs, and cost effectiveness.
As needed	Committee Questions	Affected parties respond to Committee questions.
3 minutes per person	Presentations by affected parties <b>opposing</b> the project.	Individual presenters provide <i>alternative</i> 5 minutes information relevant to need, special needs, financial feasibility, cost effectiveness and how the proposal affects presenter.  (One spokesman per group preferred.)
As needed	Committee Questions	Affected parties respond to Committee questions.
5 minutes	Applicant Rebuttal	Clarification of issues and key points.
5 minutes	Staff Summary	Summary of key points and recommendations.
As needed	Committee	Discuss and decide to: <ul style="list-style-type: none"> <li>• Approve based on information in application;</li> <li>• Conditionally approve application as modified;</li> <li>• Deny based on finding of no need; or</li> <li>• Defer to the next meeting.</li> </ul>

max. 90 min.

max. 20 min.

max. 90 min.

**Missouri Health Facilities Review Committee**  
**Certificate of Need Meeting**  
**July 17, 2006, 9:00 a.m.**  
**House Hearing Room #7, Capitol Building, Jefferson City**  
*(Audio tapes of proceedings are available for review at the Certificate of Need Program Office, Jefferson City.)*

## **Minutes**

Presiding: Milamari Cunningham, MD, Vice-Chair

Members Present: Cathy Davis, RN, PhD  
Representative Kenny Jones  
Marion Pierson, MD  
Senator Bill Stouffer  
Representative Thomas Villa  
Senator Yvonne Wilson

Member Absent: H. Bruce Nethington, Chair

Program Staff: Thomas R. Piper, Director  
Donna Schuessler  
Mike Henry

Committee Counsel: Bill Vanderpool

Vice-Chair Cunningham called the meeting to order at 9:00 a.m.

## **Committee Business**

### **Review and Perfect Agenda**

There were no proposed changes to the agenda, and it was adopted by consensus.

### **Mission Statement**

Vice-Chair Cunningham read the Committee's Mission Statement.

### **Review of the Registered Representatives Log**

Mr. Piper presented the Registered Representative Log which listed individuals who had registered either in support of, as neutral, or in opposition to, projects on the agenda. This listing enabled Committee members to identify persons who were associated with each project.

### **Meeting Protocol**

Mr. Piper presented the Meeting Protocol to the audience. He requested that anyone who planned to speak identify themselves; and, if they had not already submitted a Representative Registration form, to make sure one was completed and given to the Certificate of Need Program (CONP) staff. He continued by explaining the time allotments for each speaker.

### **Minutes of the May 22, 2006, CON and Administrative Meetings**

MOTION: A motion was made by Dr. Davis, seconded by Senator Wilson, to approve the minutes of the May 22, 2006, CON and Administrative meetings. A roll call vote was taken:

Villa	Yes
Davis	Yes
Wilson	Yes
Jones	Yes
Stouffer	Yes
Pierson	Yes

The motion carried, and the minutes were approved.

## Old Business (none)

## New Business (expedited applications)

**#3894 HS: Saint Luke's Cancer Institute**  
**Kansas City (Jackson County)**  
**\$1,700,000, Replace PET unit**

Testimony was given in support of the project.

No one appeared in opposition.

MOTION: A motion was made by Senator Wilson, seconded by Dr. Davis, to approve project #3895 HS at a cost of \$1,700,000. A roll call vote was taken:

Wilson	Yes
Stouffer	Yes
Davis	Yes
Jones	Yes
Pierson	Yes
Villa	Yes

The motion carried, and the project was approved.

## New Business (full applications)

**#3924 HS: The Children's Mercy Hospital**  
**Kansas City (Jackson County)**  
**\$1,879,756, Acquire second angiography unit**

Mr. Piper recommended that the project cost be reduced to \$1,494,756.

Testimony was given in support of the project.

There was no opposition to the project.

MOTION: A motion was made by Dr. Davis, seconded by Representative Jones, to approve project #3924 HS at a cost of \$1,494,756. A roll call vote was taken:

Villa	Yes
Jones	Yes
Pierson	Abstain
Wilson	Yes
Stouffer	Yes
Davis	Yes

The motion carried, and the project was approved.

**#3921 HS: Heartland Regional Medical Center  
St. Joseph (Buchanan County)  
\$2,500,000, Acquire fifth CT scanner**

Testimony was given in support of the project.

There was no opposition to the project.

MOTION: A motion was made by Dr. Pierson, seconded by Dr. Davis, to approve project #3921 HS at a cost of \$2,500,000. A roll call vote was taken:

Wilson	Yes
Stouffer	Yes
Jones	Yes
Villa	Yes
Davis	Yes
Pierson	Yes

The motion carried, and the project was approved.

**#3928 FS: ExAblate of St. Louis, LLC  
Chesterfield (St. Louis County)  
\$2,000,000, Acquire focused ultrasound ablation system**

Testimony was given in support of the project.

There was no opposition to the project.

MOTION: A motion was made by Representative Jones, seconded by Representative Villa, to approve project #3928 FS at a cost of \$2,000,000. A roll call vote was taken:

Davis	Yes
Villa	Yes
Pierson	No
Stouffer	Yes
Wilson	No
Jones	Yes

The motion carried, and the project was approved.

**#3927 HS: Saint Francis Medical Center  
Cape Girardeau (Cape Girardeau County)  
\$1,482,153, Acquire second MRI**

Testimony was given in support of the project.

There was no opposition to the project.

MOTION: A motion was made by Dr. Pierson, seconded by Senator Wilson, to approve project #3927 HS at a cost of \$1,482,153. A roll call vote was taken:

Pierson	Yes
Davis	Yes
Villa	Yes
Stouffer	Yes
Jones	Yes
Wilson	Yes

The motion carried, and the project was approved.

**#3935 HS: St. Luke's Hospital  
Chesterfield (St. Louis County)  
\$3,310,000, Replace linear accelerator**

Mr. Piper recommended that the project cost be increased to \$3,350,000. He also recommended that the name of the owner be changed to General Electric Capital Corporation as the owner of the equipment and St. Luke's Hospital as the owner of the vault.

Testimony was given in support of the project.

There was no opposition to the project.

MOTION: A motion was made by Representative Villa, seconded by Dr. Davis, to approve project #3935 HS at a cost of \$3,350,000 and change the name of the owner to General Electric Capital Corporation as the owner of the equipment and St. Luke's Hospital as the owner of the vault. A roll call vote was taken:

Wilson	Yes
Villa	Yes
Jones	Yes
Pierson	Yes
Stouffer	Not Available
Davis	Yes

The motion carried, and the project was approved.

## **Other Business**

**#3817 NS: Independence Regional Senior Care, LLC  
Independence (Jackson County)  
\$6,772,000, Request to reissue CON to change project site**

MOTION: A motion was made by Dr. Davis, seconded by Senator Wilson, to reissue the CON to change the project site to the intersection of Jackson Drive and 40th in Independence 64057. A roll call vote was taken:

Wilson	Yes
Pierson	Yes
Villa	Yes
Jones	Yes
Davis	Yes
Stouffer	Yes

The motion carried, and the request was approved.

**#3695 HS: Central Care, P.A.  
Bolivar (Polk County)  
\$3,600,000, Request for third six-month extension**

MOTION: A motion was made by Representative Jones, seconded by Dr. Davis, to grant a third extension to December 23, 2006. A roll call vote was taken:

Stouffer	Yes
Davis	Yes
Jones	Yes
Wilson	Yes
Pierson	Yes
Villa	Yes

The motion carried, and the request was approved.

As there was no further business, the meeting adjourned at approximately 11:15 a.m.

I, H. Bruce Nethington, Chair, Missouri Health Facilities Review Committee, certify that the Committee has on this day, September 18, 2006, reviewed and approved these minutes of the July 17, 2006, Certificate of Need Meeting.

---

H. Bruce Nethington, Chair

September 18, 2006  
Date

**Missouri Health Facilities Review Committee**  
**Administrative Meeting**  
**July 17, 2006, 11:20 am**  
**House Hearing Room #7, Capitol Building, Jefferson City**  
*(Audio tapes of proceedings are available for review at the Certificate of Need Program Office, Jefferson City.)*

## **Minutes**

Presiding: Milamari Cunningham, MD, Vice-Chair

Members Present: Cathy Davis, PhD  
Representative Kenny Jones  
Marion Pierson, MD  
Senator Bill Stouffer  
Representative Thomas Villa  
Senator Yvonne Wilson

Members Absent: H. Bruce Nethington, Chair

Program Staff: Thomas R. Piper, Director  
Donna Schuessler  
Mike Henry

Committee Counsel: Bill Vanderpool

Vice-Chair Cunningham called the meeting to order at 11:20 a.m.

## **Opening Topics**

### **Perfection of Agenda**

Vice-Chair Cunningham asked if there were any changes to the agenda. Mr. Piper stated that there were only minor changes to the agenda, primarily updates to what was previously mailed.

MOTION: A motion was made by Dr. Davis, seconded by Senator Stouffer, to adopt the agenda as presented. A voice vote was taken:

Jones	Yes
Davis	Yes
Pierson	Yes
Wilson	Yes
Villa	Yes
Stouffer	Yes

The motion carried, and the agenda was adopted.

## **Legal Counsel Report**

MOTION: A motion was made by Dr. Davis, seconded by Senator Stouffer, to go into Closed Session pursuant to §610.021 for the purpose of discussing general legal actions, causes of action or litigation, and any confidential or privileged communications between this agency and its attorney. A roll call vote was taken:

Villa	Yes
Stouffer	Yes
Pierson	Yes
Wilson	Yes
Davis	Yes
Jones	Yes

The motion carried unanimously, and the Committee went into Closed Session.

The Committee returned to open session.

## Regular Activities

### Report of Non-Applicability Letters Issued

Mike Henry presented the Non-Applicability Report and requested confirmation of the letters signed by the Chair.

MOTION: A motion was made by Representative Jones, seconded by Senator Wilson, to confirm the Non-Applicability CON letters signed by the Chair from April 28, 2006, through June 16, 2006. A roll call vote was taken:

Stouffer	Yes
Jones	Yes
Villa	Yes
Davis	Yes
Pierson	Yes
Wilson	Yes

The motion carried, and the non-applicability letters were confirmed.

### Expedited Review Decisions and Tentative Agendas

Donna Schuessler reported on recent expedited decisions made by the Committee. She also reviewed the September 18, 2006, CON meeting tentative agenda.

### 2006 and 2007 Meeting Calendar

Mr. Piper reviewed the remainder of the 2006 meeting calendar. He also reviewed the meeting calendar for 2007.

MOTION: A motion was made by Senator Stouffer, seconded by Dr. Davis, to adopt the meeting calendar for 2007. A roll call vote was taken:

Wilson	Yes
Stouffer	Yes
Jones	Yes
Villa	Yes
Davis	Yes
Pierson	Yes

The motion carried, and the 2007 calendar was approved.

Mr. Piper asked the Committee if they wished to wait until the next CON meeting to make a decision on whether to conduct a legislative workshop in October. The members agreed by consensus.



## Proposed Rules

Mr. Piper provided an overview of the proposed rules changes. He requested that the Committee direct staff to file the proposed changes as emergency rules so that they would become effective on August 28, the same day that SB 616 would become effective. A second set of rules amendments would be filed simultaneously to follow the regular rules process.

He also stated that we would attempt to conduct our public comment opportunity on the rules on the same day that the Department of Health and Senior Services held their hearing on proposed rules changes relating to SB 616.

MOTION: A motion was made by Dr. Pierson, seconded Dr. Davis, to authorize staff to file the proposed rules as emergency rules and regular rules. A roll call vote was taken:

Pierson	Yes
Davis	Yes
Stouffer	Yes
Wilson	Yes
Villa	Yes
Jones	Yes

The motion carried, and the proposed rules would be filed.

Mr. Piper then referred to additional proposed changes to the Rulebook which included updating several of the forms to reflect the implementation of SB 616.

MOTION: A motion was made by Dr. Davis, seconded by Dr. Pierson, to approve the recommended changes to the forms in the CON Rulebook. A roll call vote was taken:

Wilson	Yes
Stouffer	Yes
Davis	Yes
Jones	Yes
Villa	Yes
Pierson	Yes

The motion carried, and the forms would be updated.

Mr. Piper requested that Senator Stouffer provide an update about the CON Senate Interim Committee whose charge is to evaluate CON and provide recommendations for the next legislative session. Senator Stouffer explained the process and the dates for each of the hearings. He invited the Committee members and Mr. Piper to attend the meetings and provide testimony, if they wished to do so.

There being no further business, the meeting adjourned at approximately 12:25 p.m.

I, H. Bruce Nethington, Chair, Missouri Health Facilities Review Committee, certify that the Committee has on this day, September 18, 2006, reviewed and approved these minutes of the July 17, 2006, Administrative Meeting.

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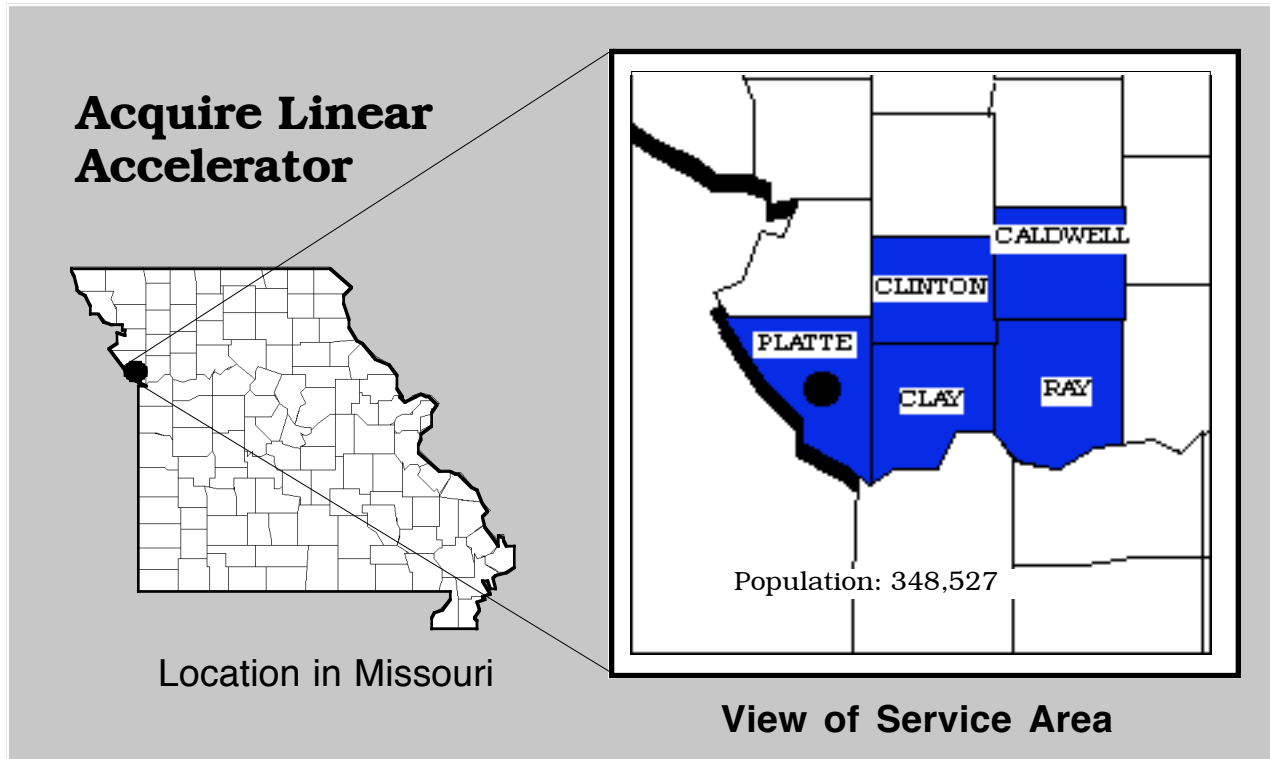
H. Bruce Nethington, Chair

---

September 18, 2006  
Date

**NO OLD  
BUSINESS**

## #3925 FS: Kansas City Cancer Center



**Applicants:** US Oncology (Owner)  
Kansas City Cancer Center, LLC (Operator)

**Contact Person:** John E. Hennessy, 913-541-4607

**Location:** 8700 North Green Hills Road  
Kansas City 64154 (Platte County)

**Cost:** \$1,948,695

**Appl. Rec'd:** July 6, 2006  
**100 Days Ends:** October 14, 2006 (30-Day Extension: November 13, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3).....Documented
- Detailed Description ..... 19 CSR 60-50.430(4) .....Documented
- Community Need .....19 CSR 60-50.440(1) .....Documented
- Financial Feasibility .....19 CSR 60-50.470(1-4) .....Documented

# #3925 FS: Kansas City Cancer Center

## APPLICATION SUMMARY:

*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative form for the Contact Person was complete.
3. The Proposed Project Budget form was complete.

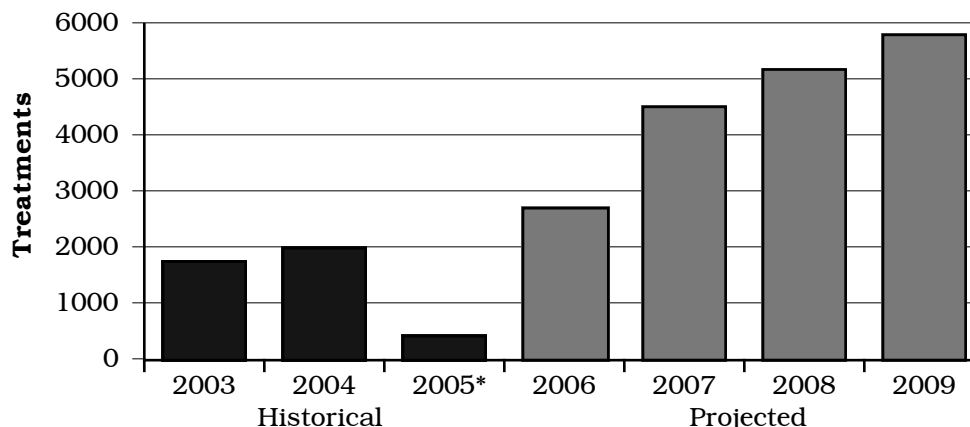
## PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support was documented.*

1. The applicants propose to **acquire Varian Clinac iX linear accelerator**. Equipment costs also include construction of a vault and the allocated value of a Siemens Biograph 6 PET/CT scanner for simulation. The proposed unit would include the ability to offer Intensity Modulated Radiation Therapy (IMRT) and Image Guided Radiation Therapy (IGRT).

The applicants currently own and operate a Siemens KD linear accelerator and Toshiba x-ray simulator located at 5800 NW Barry Road, Kansas City 64154. If this CON is approved, the existing 21-year old unit would be taken out of service and disposed of. However, because the proposed unit would be located at a new site approximately 1.7 miles away, it must be reviewed as a new unit and not a replacement unit.

2. Bid quotes for the proposed equipment were provided.
3. The applicants identified a service area covering the five counties in Missouri as shown on the map on page 1. The 2010 population of the service area is estimated at 348,527. The applicants documented the validity of the proposed service area.
4. According to the applicants, the specific community problems that this proposal would help to address are:
  - Quality of care;
  - Access to advanced care; and
  - Shorter treatment times.
5. The applicants provided the historical and projected utilization measured in linear accelerator treatments, as shown on the graph below.



\*Unit only in operation from October through December

## #3925 FS: Kansas City Cancer Center

The applicants acquired the existing unit in 2005 through a practice merger. The low utilization in 2005 was due to the unit being shut down from January through September. When the unit was put back in operation in October 2005, patient volumes have been restricted to low levels to avoid stressing the old unit to the point of irreparability before the replacement CON can be obtained. The projections for fiscal years 2007 to 2009 anticipate a substantial increase in procedures. Part of the growth is due to having new equipment capable of providing a wider range of treatments than the existing equipment. The applicants also used a projection model that takes into account population growth, future utilization trend rates, and market share.

6. A notice was published on May 4, 2006, in the *Sun Tribune* seeking consumer input on the proposal and to answer questions.
7. To date, no letters of support have been received. No opposition to this project has been expressed.

### COMMUNITY NEED CRITERIA AND STANDARDS:

*A need according to the Criteria and Standards for "Equipment and New Hospitals" was partially documented.*

1. For new units or services in the geographic service area, the population-based need formula [**Unmet Need = (S x P) – U**] applies as follows.

where:      S = Service-specific need rate of one linear accelerator per 100,000 population  
                P = Year 2010 population in the service area  
                U = Number of linear accelerators in the service area

Unmet need =  $(0.00001 \times 348,527) - 4 = \mathbf{-0.52 \text{ units surplus}}$

It is noted that the applicants' existing unit is included in the inventory. If the new unit is approved for the new location, the old unit would be removed; therefore, this proposal would not increase the number of units in the area.

2. The minimum utilization standard of 3,500 radiation therapies per unit also applies. The most recent data indicates that the two units at North Kansas City Hospital are averaging more than 6,000 therapies per unit and the unit operated by Therapeutic Radiologists, Inc., on the campus of Liberty Hospital, is also doing approximately 6,000 treatments per year. The only unit not meeting this standard is the applicants' existing unit.
3. The applicants also addressed the replacement equipment Criteria and Standards as follows:
  - The old equipment is restricted to low utilization due to its age and the space limitations of the existing facility; the new equipment would allow the applicants to provide a much higher volume of treatments;
  - The existing linear accelerator is 21 years old and has far exceeded the AHA Useful Lives guideline of 7 years;
  - Quality of care would be enhanced through:
    - More timely treatments;
    - More efficient treatments;
    - More accurate treatments; and
    - Reduced radiation exposure for healthy tissue.

## #3925 FS: Kansas City Cancer Center

- Since the old unit was put back in service in October of 2005, it has required more than ten separate repairs by the manufacturer;
- The existing linear accelerator is not a leased unit; the existing x-ray simulator is leased, but will either be disposed of or transferred to another market outside the state;
- The major technological advances are the IMRT and IGRT technologies.
- Patient satisfaction would be improved through:
  - Shorter exam and treatment times;
  - More accurate dose delivery;
  - Reduced damage to health tissues; and
  - Fewer side effects.
- Patient outcomes would be improved through the ability to identify tumors at an earlier stage and the ability to provide more precisely targeted treatments;
- Utilization is expected to increase significantly due to the reliability of the new equipment and additional capabilities of the new equipment;
- PET/CT simulation would allow for more accurate targeting;
- Average charges would increase due to the new equipment; a major portion of the increase is due to the expanded capabilities to provide the more costly IMRT and IGRT.

### FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

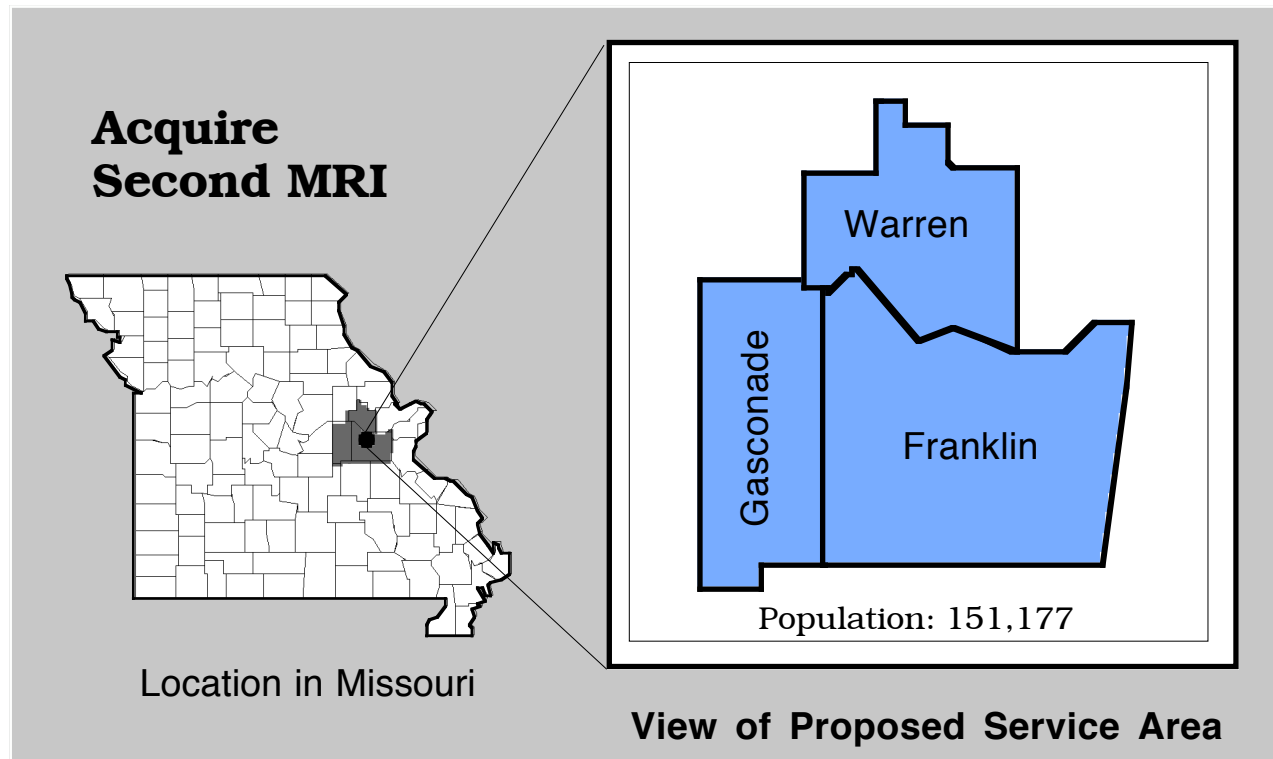
*Financial feasibility of the project was documented.*

1. The Proposed Project Budget shows the following costs:  
Equipment: \$1,948,695 (Bid quotes provided)
2. The proposed equipment would be purchased with unrestricted funds. A copy of a letter from the Corporate Controller for US Oncology was provided to verify that sufficient funds were available for this project.
3. The applicants' financial projections indicate that the project would be financially feasible.
4. The applicants' historical average patient charges per treatment for 2003 through 2005 were \$516, \$576, and \$785, respectively. For fiscal years 2006 through 2009, average patient charges per treatment are projected to be \$839, \$1493, \$1586 and \$1586, respectively. It is noted that the applicant did not acquire the existing unit until 2005. Current and future charges are set on a national basis for all of the US Oncology affiliated practices.
5. The applicants indicate that Kansas City Cancer Center physicians participate in Medicare and Medicaid. They also have criteria to define patients as medically indigent and to provide their cancer care in their offices.

### ADDITIONAL INFORMATION:

*A moderate amount of additional information was requested from the applicant. A copy is included with the application in the Compendium mailing.*

## #3960 HS: St. John's Mercy Hospital



**Applicants:** St. John's Mercy Health System (Owner)  
St. John's Mercy Hospital (Operator)

**Contact Person:** Donald E. Kalicak, 314-364-3042

**Location:** 901 East 5th Street  
Washington 63090 (Franklin County)

**Cost:** \$1,876,645

**Appl. Rec'd:** July 6, 2006  
**100 Days Ends:** October 14, 2006 (30-Day Extension: November 13, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3)..... Documented
- Detailed Description ..... 19 CSR 60-50.430(4) ..... Documented
- Community Need ..... 19 CSR 60-50.440(2)D ..... Documented
- Financial Feasibility ..... 19 CSR 60-50.470(1-4) ..... Documented

# #3960 HS: St. John's Mercy Hospital

## APPLICATION SUMMARY:

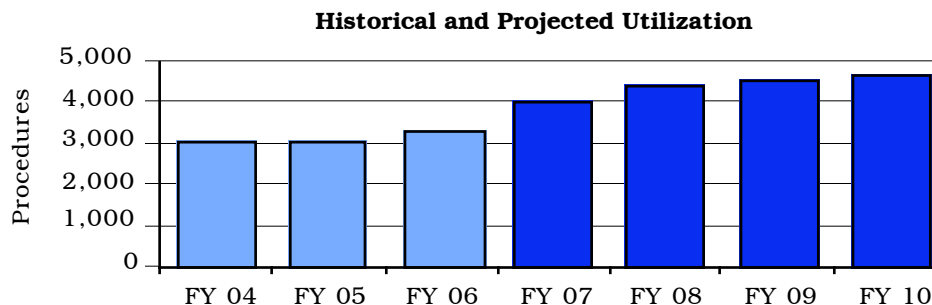
*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative form for the Contact Person was complete.
3. The Proposed Project Budget form was complete.

## PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support were documented.*

1. The applicants propose to **acquire a GE Signa HDe 1.5 tesla magnetic resonance imager (MRI)**. This second unit would be placed in the imaging department of the hospital in close proximity to the existing unit. The applicants considered replacing the existing MRI; however, because of its limited financial value, estimated to be approximately \$60,000, they decided to keep it to help meet the growing demand for MRI services.
2. A bid quote for the proposed equipment was provided.
3. The applicants identified a primary service area which includes Franklin, Gasconade and Warren Counties. The year 2010 population of the service area is 151,177. The applicants documented the validity of the proposed service area.
4. According to the applicants, the specific problems this project is designed to meet are:
  - The need for additional capacity to meet a growing demand;
  - Software upgrades are no longer available for the existing 1.0 tesla unit;
  - The proposed unit would have improved image quality;
  - The existing smaller unit does not have the ability to perform the types of studies of the brain, spine, abdomen and breast which can be done with the proposed unit; and
  - The existing unit operates at a much slower rate than the proposed unit; patients must be scheduled an average of 8-10 days in advance of the procedure.
5. The applicants provided the historical and projected utilization measured in MRI procedures, as shown on the graph below.



6. The applicants documented that consumer needs and preferences were included in planning this project by providing a copy of a notice placed in the *St. Louis Suburban Journal*.
7. To date, two letters of support have been received on this project. No opposition has been received.



## #3960 HS: St. John's Mercy Hospital

### COMMUNITY NEED CRITERIA AND STANDARDS:

*A need according to the Criteria and Standards for "Equipment and New Hospitals" was documented.*

1. For additional units or services in the geographic service area, the population-based need formula does not apply.
2. For additional units, an optimum annual utilization standard of 3,000 procedures per year applies. The applicant's existing unit had 3,007 actual procedures for 11 months of FY 2006. When annualized, the utilization is 3,280 procedures, which exceeds the standard.

### FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

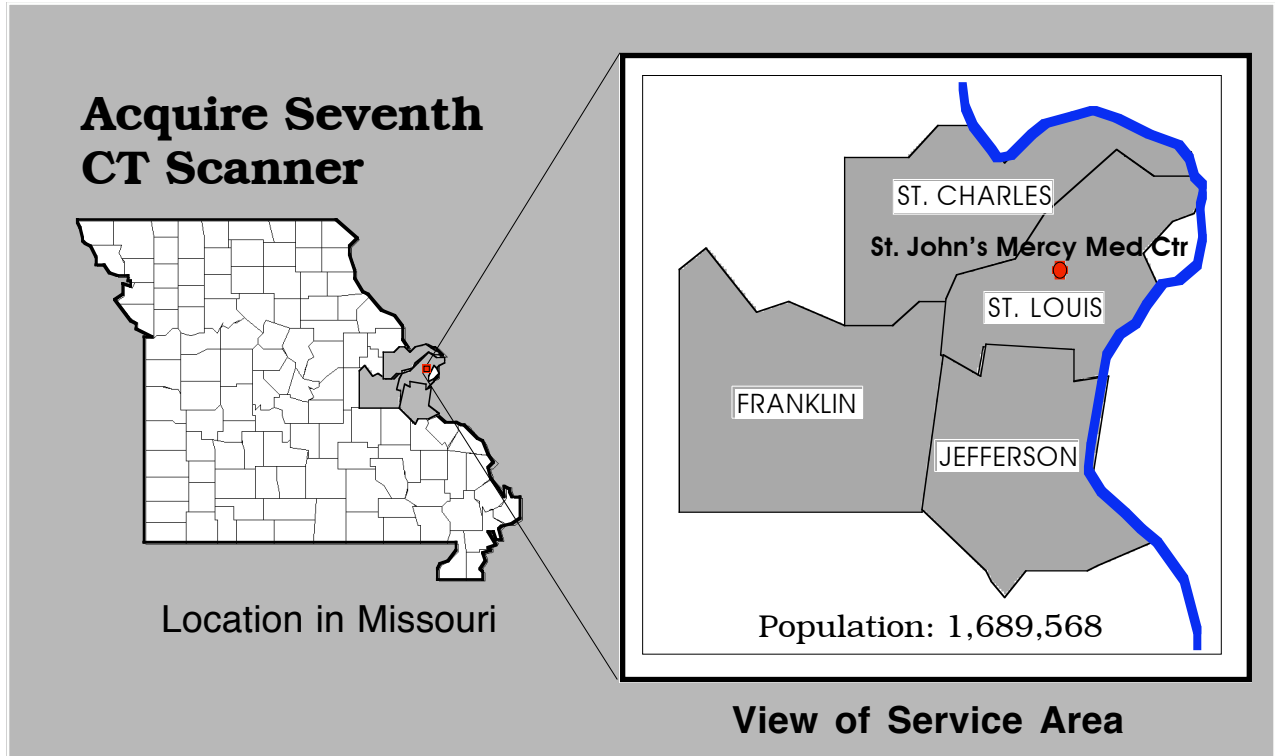
*Financial feasibility of the project was documented.*

1. The Proposed Project Budget shows the following costs:  
  
Equipment: \$1,876,645 (Bid quote provided)
2. The proposed equipment would be purchased with unrestricted funds. A letter signed by Jim Jaacks, Sr. Vice President, Sisters of Mercy Health System, was provided to substantiate that sufficient unrestricted funds are available for this project.
3. The applicants' financial projections indicate that the project would be financially feasible.
4. The applicants' historical average patient charges per MRI procedure for fiscal years 2004 through 2006 were \$1539, \$1932, and \$2318, respectively. For fiscal years 2007 through 2010, average patient charges per procedure are projected to be \$2402, \$2486, \$2573, and \$2663, respectively. The estimates indicate that charges are expected to increase approximately 3.4% annually.
5. The applicants indicate that financial policies are structured to provide funds for care of patients in financial need. In FY 04, St. John's Mercy Health System provided more than \$82 million in charity care, bad debt, unpaid costs of Medicare and Medicaid, and other unreimbursed costs. The health system supports the John F. Kennedy Clinic for uninsured and lower income individuals and families.

### ADDITIONAL INFORMATION:

*A minimal amount of additional information was requested from the applicant. A copy is included with the application in the Compendium mailing.*

## #3961 HS: St. John's Mercy Medical Center



**Applicants:** St. John's Mercy Health System (owner)  
St. John's Mercy Medical Center (operator)

**Contact Person:** Donald E. Kalicak, 314-364-3042

**Location:** 615 South New Ballas Road  
St. Louis 63141 (St. Louis County)

**Cost:** \$1,549,500

**Appl. Rec'd:** July 6, 2006  
**100 Days Ends:** October 14, 2006 (30-Day Extension: November 13, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3)..... Documented
- Proposal Description .....19 CSR 60-50.430(4) .....Documented
- Community Need .....19 CSR 60-50.440(2) .....Documented
- Financial Feasibility .....19 CSR 60-50.470(1-4) .....Documented

## APPLICATION SUMMARY:

*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative forms for the Contact Person was complete.
3. The Proposed Project Budget form was complete.

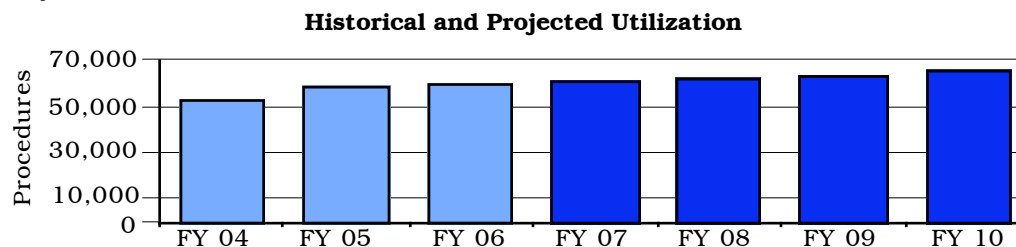
## PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support were documented.*

1. The applicants propose to **acquire a seventh computerized tomography (CT) scanner**. The new unit would be a GE Healthcare 64-slice LightSpeed VCT. This additional unit would be located in the imaging department and would primarily serve inpatients needing coronary CT angiograms and other cardiac and vascular studies.

The new 64-slice unit is the latest technological development in CT scanning. The proposed equipment offers high speed and significantly improved resolution. This technology has quickly gained acceptance for use in cardiac care and neurology. In many cases, this technology would be able to replace or reduce the need for invasive cardiac catheterizations.

2. Bid quotes for the proposed equipment were provided.
3. The applicants identified their primary service area as St. Louis, St. Charles, Jefferson and Franklin Counties (see map on page 1) from which 80% of inpatient discharges come. The applicants provided a 2010 projected population of 1,689,568 from the Center for Health Informatics in the Department of Health and Senior Services.
4. According to the applicants, the specific problem this project is designed to meet is the need for equipment that can be used to quickly diagnose problems especially those associated with cardiovascular disease. This technology offers patients a non-invasive alternative to cardiac catheterization as well as other invasive radiology procedures. St. John's Mercy Medical Center is the only Level 1 Trauma Center in its primary service area. In addition, they are the only burn center in the region.
5. The applicants provided the historical and projected utilization measured in CT scans, as shown on the graph below. The assumptions used to generate the projections for fiscal years 2007 to 2010 anticipate that the number of CT procedures would increase approximately 2% per year.



6. The applicants documented that consumer needs and preferences were included in planning this project by providing a copy of a notice placed in the *St. Louis Suburban Journal*.
7. To date, 12 letters of support has been received on this project. No opposition has been received.

## **#3961 HS: St. John's Mercy Medical Center**

### **COMMUNITY NEED CRITERIA AND STANDARDS:**

*A need according to the Criteria and Standards for "Equipment and New Hospitals" was documented.*

1. For additional units or services in the geographic service area, the population-based need formula does not apply.
2. For additional units, an optimum utilization standard normally applies. However, there currently is no optimum utilization standard for CT scanners. As shown on the chart on the preceding page, the applicant's six existing units are highly utilized.

### **FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:**

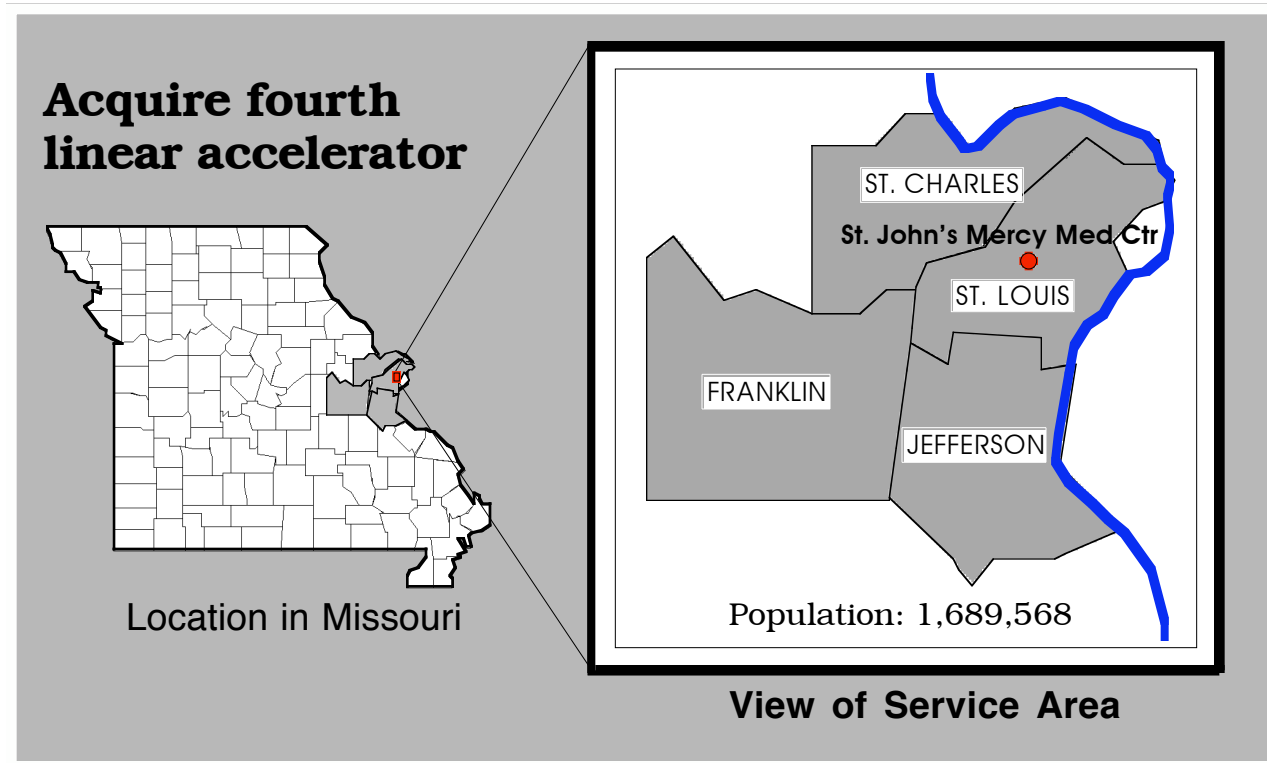
*Financial feasibility of the project was documented.*

1. The Proposed Project Budget shows the following costs:  
Equipment: \$1,549,500 (Bid quote provided)
2. The proposed equipment would be purchased with unrestricted funds. A letter signed by Jim Jaacks, Sr. Vice President and Chief Financial Officer, Sisters of Mercy Health System, was provided to substantiate that sufficient unrestricted funds are available for this project.
3. The applicants' financial projections indicate that the project would be financially feasible.
4. The applicants' historical average patient charges per CT procedure for 2004 through 2006 were \$1089, \$1354, and \$1585, respectively. For 2007 through 2010, average patient charges per CT procedure are projected to be \$1664, \$1747, \$1834, and \$1926, respectively. The estimates indicate that charges are expected to increase approximately 5% annually.
5. The applicants indicate that financial policies are structured to provide funds for care of patients in financial need. In FY 04, St. John's Mercy Health System provided more than \$82 million in charity care, bad debt, unpaid costs of Medicare and Medicaid, and other un-reimbursed costs. The health system supports the John F. Kennedy Clinic for uninsured and lower income individuals and families.

### **ADDITIONAL INFORMATION:**

*A minimal amount of additional information was requested from the applicant. A copy is included with the application in the Compendium mailing.*

## #3963 HS: St. John's Mercy Medical Center



**Applicants:** St. John's Mercy Health System (owner)  
St. John's Mercy Medical Center (operator)

**Contact Person:** Donald E. Kalicak, 314-364-3842

**Location:** 615 South New Ballas Road  
St. Louis 63141 (St. Louis County)

**Cost:** \$4,428,000

**Appl. Rec'd:** July 6, 2006

**100 Days Ends:** October 14, 2006 (30-Day Extension: November 13, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3)..... Documented
- Proposal Description .....19 CSR 60-50.430(4) .....Documented
- Community Need .....19 CSR 60-50.440(2) .. **Partially Documented**
- Financial Feasibility .....19 CSR 60-50.470(1-4) ..... Documented

## APPLICATION SUMMARY:

*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative form for the Contact Person was complete.
3. The Proposed Project Budget was complete.

## PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support were documented.*

1. The applicants propose to **acquire a fourth linear accelerator**. The new unit would be a Trilogy Stereotactic System, developed by Varian Medical Systems and would be an expansion of cancer services at St. John's Mercy Medical Center. It would be located in the David C. Pratt Cancer Center on the medical center campus and would be part of the continuing development of a center of excellence in the diagnosis and treatment of cancer.

Stereotactic radiosurgery (SRS) is the precise delivery of a single high dose of radiation. Because it is so precise, the risk of damaging surrounding healthy tissue is minimal. SRS is currently not available at St. John's Mercy Medical Center. The proposed unit would primarily be used for cranial cancers and some tumors of the spine, lung and liver. According to the applicants, the existing linear accelerators are not precise enough to treat these types of cancer.

The applicants stated that because of the very high radiation dose, most treatments involve only one session. Conventional radiation therapy includes five treatments per week over a period of five-to-seven weeks. The TomoTherapy unit also involves multiple sessions.

The SRS system provides protection to healthy tissue using head or body immobilization frames, intensity modulated radiation therapy (IMRT), image guidance through a gantry-mounted CT; 3D dosimetry; on-board fluoroscopy; and respiratory gating. Most of these features are not available on conventional linear accelerators. According to the applicants, treatments using traditional linear accelerators with IMRT are three times longer than conventional therapy.

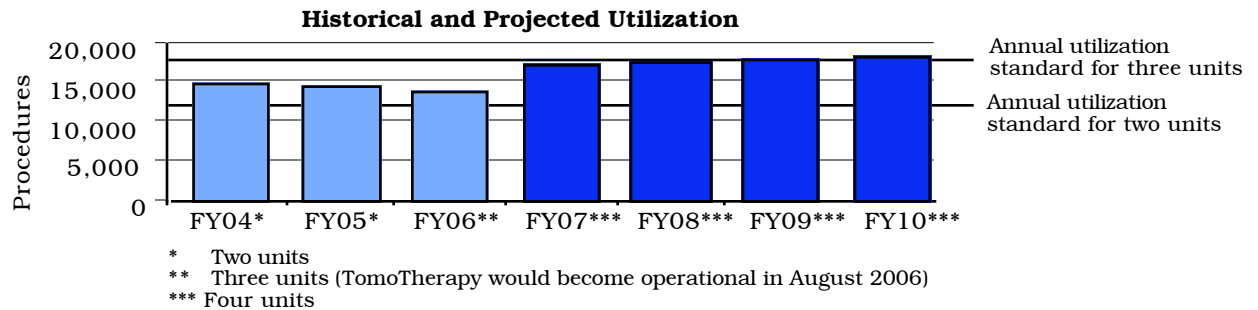
The TomoTherapy unit delivers IMRT using a multileaf collimator which can verify the size, shape, and location of the tumor just prior to the time of treatment. Unlike traditional radiation therapy systems which have beams projecting onto the tumor from a few different directions, TomoTherapy rotates the beam source around the patient, thus allowing the beam to enter the patient from many different angles in succession.

The applicants believe that the SRS system has specific applications for treatment of tumors which cannot be treated with conventional radiation therapy.

2. The David C. Pratt Cancer Center currently has two conventional linear accelerators. In addition, a third unit (TomoTherapy unit), was approved in July 2005 and is expected to be operational in August 2006.
3. The applicants identified their primary service area as St. Louis, St. Charles, Jefferson and Franklin Counties (see map on page 1) from which 80% of inpatient discharges come. The applicants provided a 2010 projected population of 1,689,568 from the Center for Health Informatics in the Department of Health and Senior Services.

## #3963 HS: St. John's Mercy Medical Center

4. According to the applicants, the specific problem this proposal designed to meet is that there are currently two stereotactic radiosurgery services in the St. Louis area, the Gamma Knife at Barnes Jewish Hospital and the Cyberknife at St. Louis University Hospital. Both of these services are outside the applicants' service area.
5. The applicants provided utilization as shown on the graph below:



The applicants stated that utilization projections were based on past and current utilization, and overall growth in radiation therapy services. They also stated that there was a decline in utilization because the two existing traditional linear accelerators with IMRT are used primarily for prostate cancer treatment which are longer procedures.

The applicants project utilization for the proposed stereotactic radiosurgery unit for FY08 through FY 10 to be 225, 300, and 335 treatments, respectively.

6. The applicants documented that consumer needs and preferences were included in planning this project by providing a copy of a notice placed in the *St. Louis Suburban Journal*.
7. One letter of support has been received. No opposition has been received.

### COMMUNITY NEED CRITERIA AND STANDARDS:

*The applicants **partially documented** a need according to the "Equipment and New Hospitals" Criteria and Standards.*

1. The Criteria and Standards for Equipment and New Hospitals apply. The utilization standard for additional linear accelerators states that the applicants' annual utilization should achieve at least 6,000 treatments for each existing unit. The applicant's two existing units have an average 2005 annual utilization of 7,228 treatments, which meets the standard. Since the third unit would become operational in August 2006, there is no utilization to include for that unit. Therefore, the utilization standard for three units has not been met.
2. The Criteria and Standards for Evolving Technology do not apply.

### FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

*Financial feasibility of the project was documented.*

1. The Proposed Project Budget shows the following costs:

Major Medical Equipment:	\$4,228,000 (Bid quote provided)
Vault:	200,000 (Bid quote provided)
TOTAL:	\$4,428,000

## **#3963 HS: St. John's Mercy Medical Center**

2. The proposed equipment would be purchased with unrestricted funds. A letter signed by Jim Jaacks, Sr. Vice President and Chief Financial Officer, Sisters of Mercy Health System, was provided to substantiate that sufficient unrestricted funds are available for this project.
3. Financial projections indicate that the project would be financially feasible.
4. The applicants' historical average patient charges for fiscal years 2004 through 2006 for the two traditional linear accelerators were \$837, \$1110, and \$1351 per treatment, respectively.

The projected charges for each treatment on the proposed stereotactic radiosurgery unit for fiscal years 2008 through 2010 would be \$31697, \$29682, and \$29592, respectively. The applicants stated that these charges are based on gross revenue. Following revenue deductions, the average projected revenue they expect to collect per treatment would be \$9912, \$9363, and \$9338 for the same period.

For comparison purposes, the estimated average charge per treatment on the TomoTherapy unit for 2006 through 2008 is projected to be \$1084, \$1316, and \$1322, respectively.

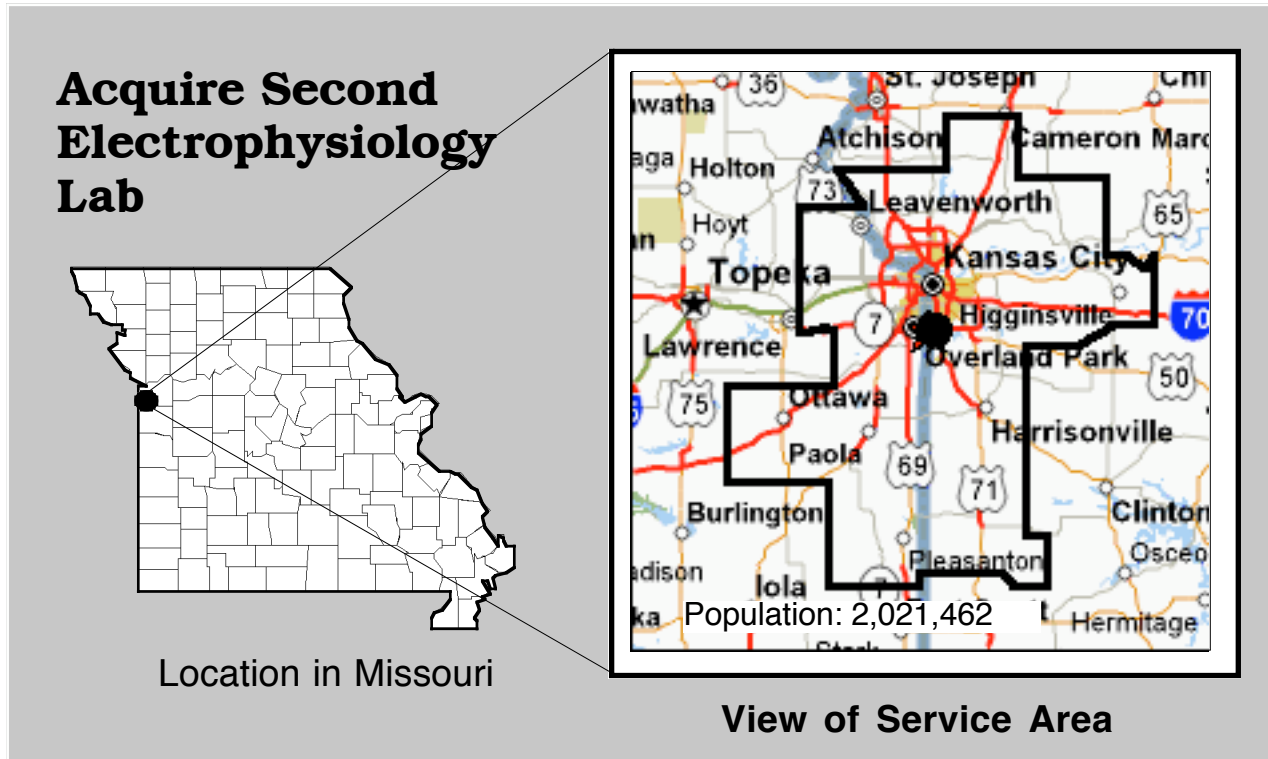
5. The applicants indicate that financial policies are structured to provide funds for patients in financial need. In FY 04, St. John's Mercy Health System provided more than \$82 million in charity care, bad debt, unpaid costs of Medicare and Medicaid, and other unreimbursed costs.

### **ADDITIONAL INFORMATION:**

*A minimal amount of additional information was requested and provided during the review process. A copy of that information is in the application included in the Compendium mailing.*



## #3964 HS: St. Joseph Medical Center



**Applicant:** St. Joseph Medical Center (Owner/Operator)

**Contact Person:** David Carnes, 816-943-4518

**Location:** 1000 Carondelet Drive  
Kansas City 64114 (Jackson County)

**Cost:** \$2,006,176

**Appl. Rec'd:** July 7, 2006  
**100 Days Ends:** October 15, 2006 (30-Day Extension: November 14, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3).....Documented
- Detailed Description ..... 19 CSR 60-50.430(4) .....Documented
- Community Need .....19 CSR 60-50.440(2) .....Documented
- Financial Feasibility .....19 CSR 60-50.470(1-4) .....Documented

## #3964 HS: St. Joseph Medical Center

### APPLICATION SUMMARY:

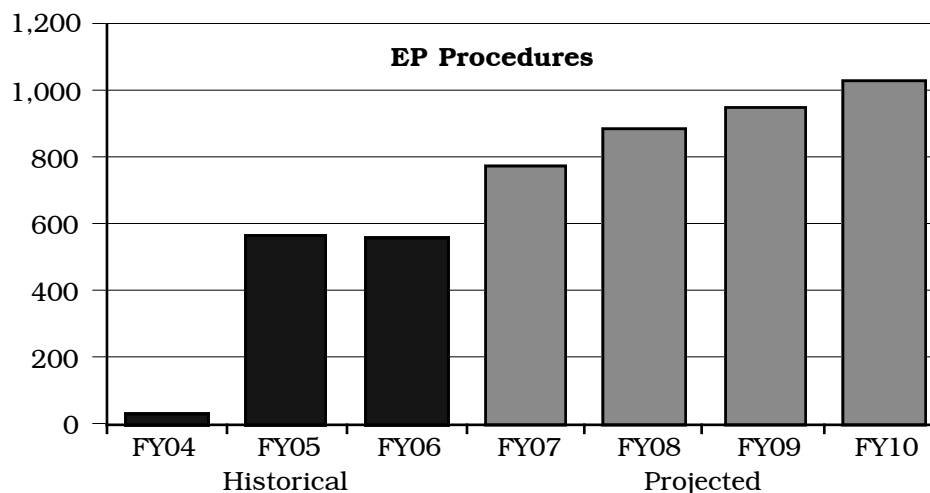
*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative form for the Contact Person was complete.
3. The Proposed Project Budget form was complete.

### PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support was documented.*

1. The applicant proposes to **acquire the equipment from Philips Medical Systems, Boston Scientific and Witt Biomedical to establish a second electrophysiology (EP) laboratory.** Electrophysiology is a sub-specialty within the field of cardiology that focuses on the diagnosis and treatment of electrophysiological or cardiac rhythm disorders. Major procedures include pacemaker implants, cardiac defibrillator implants, cardiac resynchronization therapy and catheter ablation. The equipment used for these services is basically the same as that used for cardiac catheterization. The applicant's existing EP lab was established by dedicating one of the hospital's three cardiac cath labs to this service.
2. Bid quotes for the proposed equipment were provided.
3. The applicant identified a service area covering seven counties in Missouri as shown on the map on page 1. In addition, they also serve six counties in Kansas. The 2010 population of the Missouri portion of the service area is estimated at 1,166,109. The Kansas portion of the service area has a projected population of 855,353 for a total service area population of 2,021,462. The applicant documented the validity of the proposed service area.
4. According to the applicant, the specific community problem that this proposal would help to address is that the Kansas City area is under-served for electrophysiology services. Studies of other similar Midwest communities indicate that the Kansas City area may need from 7 to 22 additional electrophysiologists to serve the current area population. The applicant's existing lab has been highly utilized by a single electrophysiologist. A second one has been recruited thus creating a need for a second lab.
5. The applicant provided the historical and projected utilization measured in EP procedures, as shown on the graph below.



## #3964 HS: St. Joseph Medical Center

The projections for fiscal years 2007 to 2010 anticipate a substantial increase in procedures in FY07 through FY10. These volumes were derived from a projection model that takes into account population growth, future utilization trend rates, the supply of electrophysiologists and hospital market share.

6. A public notice was published on August 3, 2006, in the *Kansas City Star* seeking consumer input on the proposal and to answer questions.
7. To date, three letters of support have been received. No opposition to this project has been expressed.

### COMMUNITY NEED CRITERIA AND STANDARDS:

*A need according to the Criteria and Standards for "Equipment and New Hospitals" was documented.*

1. For additional units or services in the geographic service area, the population-based need formula does not apply.
2. For additional units, an optimum utilization standard applies. The nearest applicable standard is that for cardiac catheterization which is 750 procedures per year. As stated earlier the applicant has three cardiac catheterization lab, one of which is dedicated to EP procedures. In FY2006, a total of 5,290 procedures were performed in the three labs. This average utilization of 1,763 procedures per lab is more than twice the standard.

### FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

*Financial feasibility of the project was documented.*

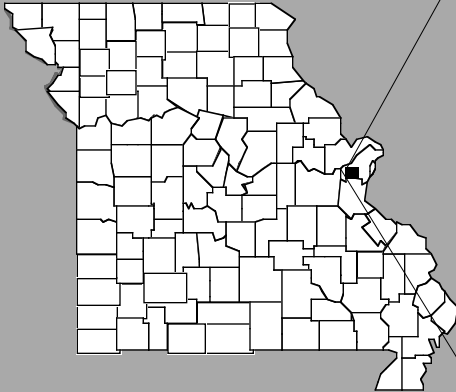
1. The Proposed Project Budget shows the following costs:  
Equipment: \$2,006,176 (Bid quotes provided)
2. The proposed equipment would be purchased with unrestricted funds. A copy of the Balance Sheet from the applicant's parent company's audited financial statements for 2005 was provided to verifying that sufficient funds were on hand for the project.
3. The applicant's financial projections indicate that the project would be financially feasible.
4. The applicant's historical average patient charges per EP procedure for fiscal years 2004 through 2006 were \$24959, \$22736, and \$20118, respectively. For fiscal years 2007 through 2009, average patient charges per procedure are projected to be \$21249, \$20179, and \$20146, respectively. The estimates indicate that charges are expected to remain stable.
5. The applicant indicates that the hospital's mission statement states that..."Our commitment to human dignity compels us to provide compassionate, quality healthcare for body, mind and spirit with a special concern for the poor." A copy of the hospital's billing policy was also provided.

### ADDITIONAL INFORMATION:

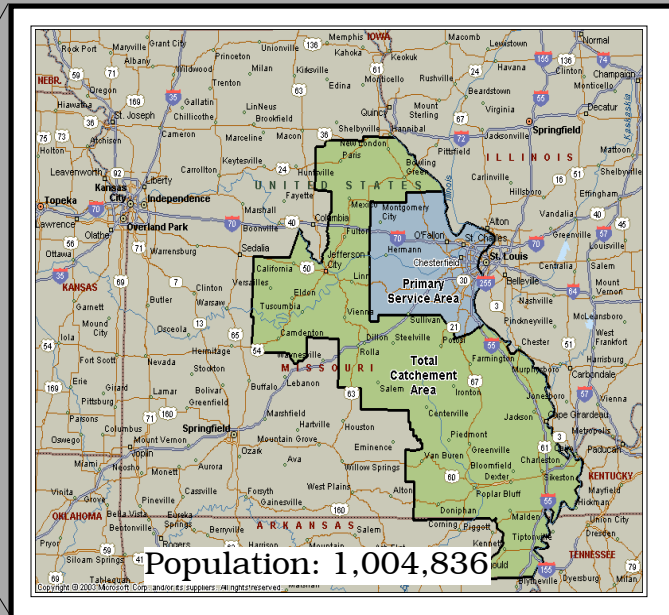
*A moderate amount of additional information was requested from the applicant. A copy is included with the application in the Compendium mailing.*

# #3959 HS: Saint Louis University Hospital

## Acquire Stereotactic Radiosurgery System



Location in Missouri



View of Proposed Service Area

**Applicants:** Accuray, Inc. (owner)  
Saint Louis University Hospital (owner / operator)  
(Recommend adding: Missouri Cancer Care, P.C. [owner / operator])

**Contact Person:** Simon W. Abrahms, 314-577-8037

**Project Address:** Chesterfield Valley Bank Building  
at Boone's Crossing and Interstate 64  
Chesterfield 63005 (St. Louis County)  
(Recommend changing site to:  
100 Medical Plaza, Ste. 202  
Lake Saint Louis 63367 [St. Charles County])

**Cost:** \$6,365,000 (Recommend \$5,974,075)

**Appl. Rec'd:** July 7, 2006  
**100 Days Ends:** October 15, 2006 (30-Day Extension: November 14, 2006)

**Summary:** Based on the Certificate of Need Rules:

- Application Summary..... 19 CSR 60-50.430(3)..... Documented
- Detailed Description..... 19 CSR 60-50.430(4)..... Documented
- Community Need..... 19 CSR 60-50.440..... Documented
- Financial Feasibility..... 19 CSR 60-50.470(1-4)..... Documented

## APPLICATION SUMMARY:

*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
3. The Registered Representative form for the Contact Person and six other individuals were complete.
4. The Proposed Project Budget form was complete; however, it was later modified.

## PROPOSAL DESCRIPTION:

*The detailed project description was complete, and community awareness and support were documented.*

1. The applicants propose to acquire a CyberKnife robotic radiosurgery system. A CT scanner would also be acquired to be used for treatment planning.

Originally, the unit was to be located in Chesterfield Valley in St. Louis County. However, approximately a month after the application was filed, the applicants submitted a request to change the site to the campus of St. Joseph Hospital West in Lake Saint Louis which is approximately 15 miles northwest of the original proposed site. The reason for the site change was that St. Louis University Hospital has entered into a joint venture arrangement with Missouri Cancer Care, P.C., and Accuray, Inc., to establish a new cancer center on the campus of St. Joseph Hospital West. The equipment would be owned jointly by Saint Louis University Hospital, Accuray, Inc., and Missouri Cancer Care, P.C. and would be operated by Saint Louis University Hospital and Missouri Cancer Care, P.C. St. Joseph Hospital West would not have an ownership interest in the equipment or the vault.

The cancer center would include physicians, clinicians and equipment dedicated solely to cancer care. The applicants believe that the service area originally proposed will remain the same; however, access would be improved for patients in the service area.

CyberKnife is a frameless, image-guided radiosurgical device combining a linear accelerator mounted on a maneuverable robotic arm. It can treat head and neck cancers, spinal tumors and tumors throughout the body. The applicants stated that this "frameless" technology could eliminate the need for many invasive surgeries. The patient feels no pain or discomfort; anesthesia or sedation are typically not needed; and only limited observation time is required following treatment. The application included detailed descriptions of CyberKnife treatment schedules.

CyberKnife is a stereotactic radiosurgery system (SRS) designed to address the limitations of frame-based SRS systems (such as the Gamma Knife and traditional linear accelerator). When a patient moves during treatment, the change is detected by cameras, and a robotic arm compensates by retargeting the linear accelerator before administering the radiation beam. Treatment schedules typically range from one to five treatments (the average being two treatments per patient).

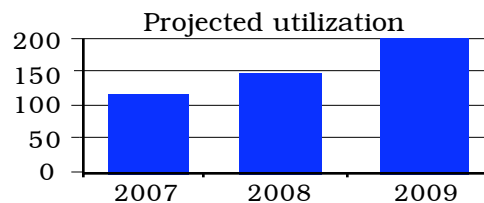
2. A bid quote from Accuray, Inc. for the CyberKnife robotic radiosurgery system and a bid quote from Siemens Medical Solutions USA, Inc., for the CT scanner were provided. The applicant also provided a bid quote from PPD Co., LLC, for the vault.
3. The applicants identified a primary geographic service area which includes Franklin, Warren, Jefferson, Gasconade, Lincoln, Montgomery, and the western portions of St. Louis and St. Charles Counties. According to the Section of Public Health Practice and Administrative Supports in the Department of Health and Senior Services, the 2010 projected population for the primary service area is 1,004,836. The applicants

## #3959 HS: Saint Louis University Hospital

also identified a Total Catchment Area which includes the central northeast region and the southeast region of Missouri which has a 2010 population of 1,800,000 (includes the primary service area).

4. According to the applicants, the specific community problems that this project is designed to meet are as follows:
  - Traditional radiation delivery technology does not use real-time monitoring during treatment;
  - Traditional radiation delivery and conventional radiosurgery devices are of limited benefit as a result of target immobilization and larger dose margins;
  - Other radiosurgery technologies require headframes and other rigid immobilization devices which can be costly, painful and time-consuming; and
  - There are increased risks and much longer recovery with invasive surgery.

5. The applicants provided projected utilization as shown on the graph on the right. According to the applicants, the CyberKnife has a maximum annual utilization of 250 fractions (a fraction is the equivalent of a treatment).



For the Committee's information and for comparison purposes, the applicants also provided historical and projected utilization for the existing CyberKnife located on the campus of St. Louis University Hospital which would be approximately 31 miles from the proposed location. For 2004, 2005, and 2006, the utilization was 55, 120, and 132 patients, respectively. Projected utilization for 2007, 2008, and 2009 is 185, 235, and 250 patients, respectively. The applicants indicated that there would be no overlap of service areas because the service area for St. Louis University Hospital includes St. Louis City, eastern portions of St. Louis and St. Charles Counties, Illinois and other states primarily east and south of Missouri.

6. The applicants documented that the community was provided with various opportunities to learn about the project and provide input including:
  - Public announcement in the *St. Louis Post-Dispatch*;
  - Community hearing to be held on August 30; and
  - Informational handouts distributed to cancer support groups in the community.
7. Seventeen letters of support were provided in the application. No opposition has been received on this project.

### COMMUNITY NEED CRITERIA AND STANDARDS:

*A need according to the Criteria and Standards for equipment was documented.*

1. For new units or services in the geographic service area, the population-based need formula [**Unmet Need = (R x P) – U**] applies as follows:

where: R = Service-specific need rate of one linear accelerator per 100,000 population  
P = Year 2010 population in the service area  
U = Number of linear accelerators in the service area

Unmet need = (0.00001 x 1,004,836) – 8 = **2.05 units needed;**

2. The Criteria and Standards for Evolving Technology do not apply.

## FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

*Financial feasibility of the project was documented.*

1. The Proposed Capital Budget shows the following costs:

Equipment:	\$4,573,075	(Bid quotes provided)
Vault:	1,694,925	
Arch./Engr. Fees	97,000	
Total:	\$6,365,000	

The applicants provided a revised project budget reflecting a overall reduction of \$390,925. \$97,000 in architectural/engineering fees were removed, and the amount for the vault was reduced by \$293,925 to reflect lower construction costs at the new location. It is recommended that the overall **project cost be reduced to \$5,974,075.**

2. The applicants stated that the project would be funded with unrestricted funds and provided a copy of the income statement summary for 2005 to document that funds are available.
3. The applicant's financial projections indicate that the project would be financially feasible.
4. The applicants' projected average patient charges for 2007 through 2009 would be \$71000, \$73130, and \$75324, respectively. These average charges are based on three treatments and represents a 3% annual increase.

The applicants also provided the average charge for one, three, and five treatments as shown below. In addition, they also provided the professional/physician fee for each.

	<u>Technical/ Facility Fee</u>	<u>Professional/ Physician Fee</u>
One treatment	\$46000	\$7900
Three treatments	\$71000	\$8700
Five treatments	\$90000	\$8900

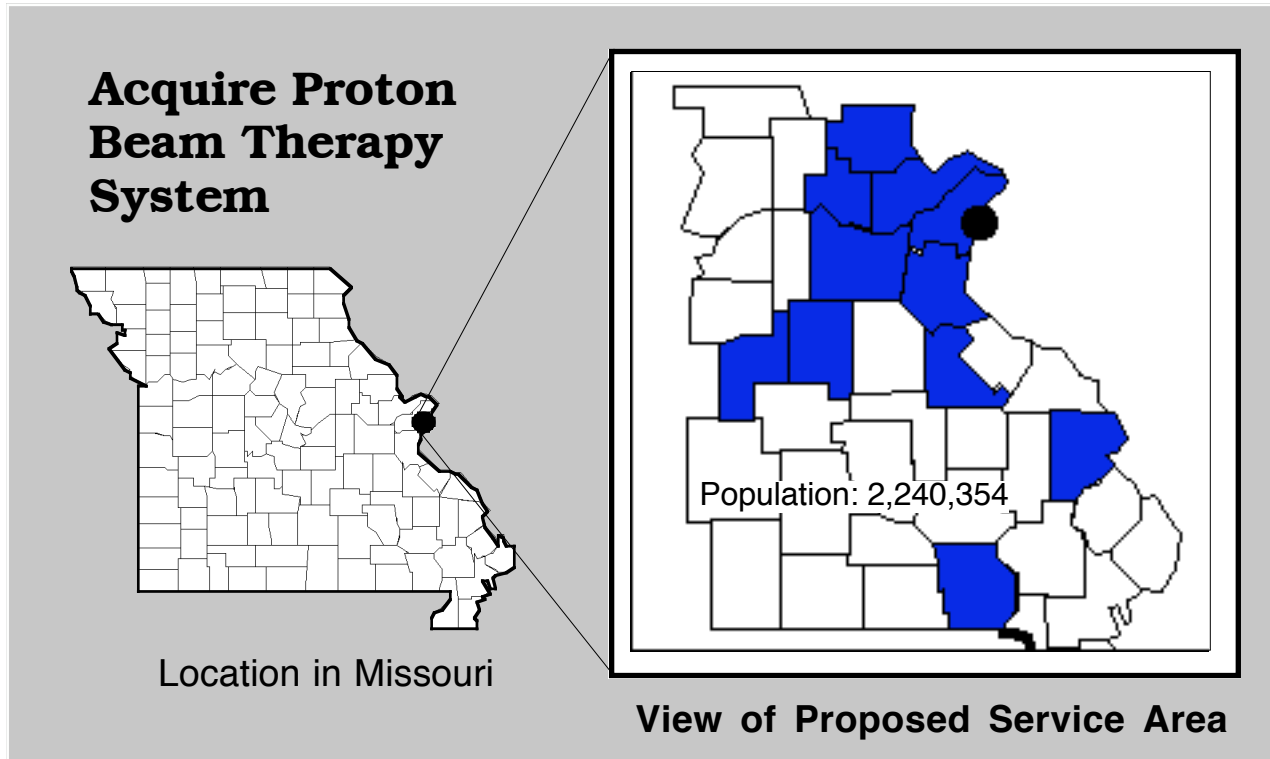
The applicants provided documentation explaining how their patient charges were developed. They stated that treatment planning and physics time are significant components of the CyberKnife treatment program; therefore, there is heavy weighting toward up-front costs.

5. The applicants stated that it is their policy to provide care to all individuals who seek care, regardless of their ability to pay. A copy of the St. Louis University Hospital charity care policy was provided.

## ADDITIONAL INFORMATION:

*A moderate amount of information was requested for this project. A copy of that information is included in the Compendium mailing.*

## #3965 HS: Barnes-Jewish Hospital



**Applicant:** Barnes-Jewish Hospital (Owner/Operator)

**Contact Person:** Greg Bratcher, 314-286-0629

**Location:** 4921 Parkview Place  
St. Louis 63110 (St. Louis City)

**Cost:** \$19,600,000

**Appl. Rec'd:** July 7, 2006  
**100 Days Ends:** October 15, 2006 (30-Day Extension: November 14, 2006)

**Summary:** *Based on the following Certificate of Need Rules:*

- Application Summary..... 19 CSR 60-50.430(3)..... **Part. Documented**
- Detailed Description ..... 19 CSR 60-50.430(4) ..... **Part. Documented**
- Community Need .....19 CSR 60-50.460 ..... **Part. Documented**
- Financial Feasibility .....19 CSR 60-50.470(1-4) .....**Part. Documented**



## APPLICATION SUMMARY:

*The application summary was complete.*

1. The Applicant Identification and Certification form was complete.
2. The Registered Representative form for the Contact Person was complete.
3. The Proposed Project Budget form was complete.

## PROPOSAL DESCRIPTION:

*The detailed project description was partially complete, and community awareness and support was documented.*

1. The applicant proposes to **acquire a proton beam therapy system**. However, the proposed Clinitron 250 Proton Beam system is still in drawing board stage of development. The applicant is in a developmental partnership with the inventor, Still River Systems, Inc., with the hope that this technology can be brought to reality.

In addition to the equipment components, this project would also include extensive construction to meet the shielding requirements of the proposed system. Although the applicant stated that the system would fit inside a "slightly modified" linear accelerator vault, the estimated construction costs are more than seven times that of a traditional vault.

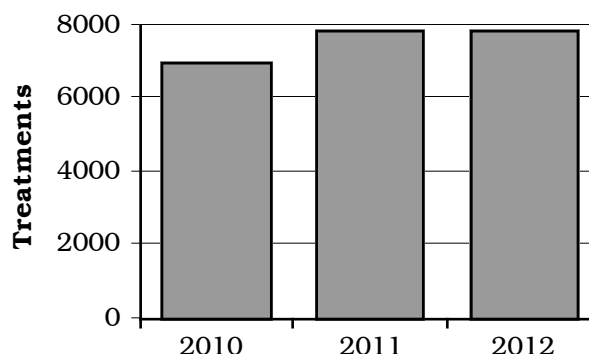
Currently there are only four proton beam therapy systems in the United States. This modality of treatment has been available on a limited basis since the 1950's, however, construction costs (\$120-\$200 million) of the existing systems have limited their availability. A large portion of those costs relate to the structural and equipment components of the cyclotron needed to produce the protons. If successful, one of the major innovations of the proposed system would be the miniaturization of the cyclotron (beam generator). This project presents substantial challenges of physics and engineering at each step of development. As a result the applicant projects that the system would not be completed and in operation until 2010.

Since this is a system that has yet to be developed, tested or proven to be successful at the proposed reduced scale, the applicant was asked why they were not first seeking an exemption under the provisions for research equipment set out in the CON statute §197.315.18. A summary of the applicant's response, which is included in the application, is that the project does not have a clinical research mission since proton beam therapy is already an accepted and proven treatment for cancer.

The overall goal of this project, if successful, is to offer cancer patients in the Midwest effective treatment for difficult cancers. Specific examples include cancers of the eye and brain stem gliomas, prostate cancers and brain tumors in children.

2. There were no bid quotes for the proposed equipment or for the construction of the vault. All that was provided was an unsigned letter from the Chief Executive Officer of Still River Systems, Inc., stating that BJC would purchase the components of the system from Still River Systems for \$10,800,000.
3. The applicant identified a service area covering 11 counties and the City of St. Louis in Missouri as shown on the map on page 1. In addition, they also identified ten counties in Illinois. The 2010 population of the Missouri portion of the service area is estimated at 2,240,354. The Illinois portion of the service area has a projected population of approximately 890,000 for a total service area population of 3,130,354. The applicant documented the validity of the proposed service area.

4. According to the applicant, the specific community problem that this proposal would address is to offer the next advancement in radiation therapy. As a comprehensive cancer center, it is needed to be able to treat the number of complex cases with a system that has the ability to target tumors with more energy while sparing healthy tissue. This hope would be based on the ability to generate beams of heavier particles (protons) whose energy can be focused at the tumor with an immediate drop-off past the tumor. The other hope of this project, if successful, would be to dramatically reduce the space requirements and price of this type of system from the current \$120-200 million down to the proposed \$19.6 million.
5. The applicant provided the projected utilization measured in proton beam treatments, as shown on the graph on the right. It will take at least three years to complete the project. The projections were based on market data and the applicant's experience with cancer treatment and radiation therapy. Since this technology would be focused on treating difficult cancers as described earlier, there should be little, if any, impact on the number of traditional radiation therapies.
6. The applicant did not publish a notice in a local newspaper to seek consumer input on the proposal or to answer questions. However, there has been local coverage of the project as evidenced by a copy of an article provided by the applicant that appeared in the *St. Louis Business Journal* shortly after the applicant submitted their letter of intent.
7. To date, three letters of support have been received. No opposition to this project has been expressed.



### COMMUNITY NEED CRITERIA AND STANDARDS:

*A need according to the Criteria and Standards for "Evolving Technology" was partially documented.*

Evolving Technology Criteria and Standards apply to this project. The applicant provided answers to the questions relative to evolving technology as follows:

- *Medical effects* - Proton beam therapy has been employed on a limited basis for several decades. High construction costs have limited the availability of such facilities. However, many articles have been published regarding the effectiveness of those existing units. The applicant included several of them in the application.
- *Met objectives* - For the existing proton beam therapy centers (4) in the United States, the core technology and effectiveness has been proven and is reimbursed by Medicare. However, the proposed system is still in the drawing-board stage. The hope is that the project would be the first in the world to shrink the size and cost of such a system to where it could be affordable to regional medical centers. Each stage of development will present substantial challenges of physics and engineering. There is no guarantee that the proposed system will work. As such, the objectives of this technology have not yet been met in practice.
- *Side effects* - The fundamental advantage of proton beam therapy is fewer side effects compared to conventional radiation therapy systems. Like conventional radiation therapy systems, all components of the proposed system would be contained in the vault, thus there would be no environmental exposure outside of that area.

## #3965 HS: Barnes-Jewish Hospital

- *Relationships to other technologies* - Proton beam therapy is an advanced form of radiation therapy, used for complicated cases that are not treatable with traditional radiation therapy systems. As such, it should have little impact on traditional radiation therapy volumes.
- *FDA approval* - The proposed system is not FDA approved. Assuming that the system can be successfully developed, it could be at least 2010 before final FDA approval could be obtained.
- *Need methodology* - The primary impact of the proposed system, if successful, would be to reduce the cost of such equipment by as much as 90%.
- *Degree of partnerships* - The applicant is a developmental partner with Still River Systems, Inc., to attempt to bring this new technology to fruition. However, upon completion, the applicant would be the sole owner and operator.

### FINANCIAL FEASIBILITY CRITERIA AND STANDARDS:

*Financial feasibility of the project was partially documented.*

1. The Proposed Project Budget shows the following costs:

Equipment:	\$10,800,000	
Construction:	7,500,000	Vault
Other:	1,300,000	Computer, software, etc.
TOTAL	\$19,600,000	

As stated earlier, there are no manufacturer or contractor bids for any of the above items. The letter from Still River Systems, Inc., stating that BJC would purchase the components of the system from Still River Systems, Inc. for \$10,800,000 was not signed. Considering the premature stage at which this application has been submitted, there is no assurance that any of the above items can be developed at the estimated cost.

2. The proposed equipment would be purchased with unrestricted funds. A copy of the applicant's parent company's 990 Tax filing for 2004 was provided to verify that sufficient funds were on hand for the project.
3. The applicant's financial projections indicate that the project would be financially feasible. However, those projections are based on the assumptions that:
  - The equipment will actually function;
  - The system can be developed for the cost as originally estimated; and
  - 200 complex cancer cases would be treated in 2010, 225 in 2011, and 225 in 2012.
4. The applicant's estimated average patient charges per treatment for 2010 through 2012 are \$2474, \$2549, and \$2625, respectively. The proposed charges are approximately two to three times those of linear accelerator treatments. Similar to linear accelerator patients, each proton beam patient is expected to need an average of 35 treatments. As a result, the total treatment series cost per patient for 2010 through 2012 would add up to \$86590, \$89215 and \$91875, respectively. The estimates indicate that charges are expected to increase 3% annually.
5. The applicant indicates that Barnes-Jewish Hospital has a long-standing policy of providing charity care and reduced-fee care to those in need and that the policy would continue.

### ADDITIONAL INFORMATION:

*A substantial amount of additional information was requested from the applicant. A copy is included with the application in the Compendium mailing.*

# **OTHER BUSINESS**

## **E. OTHER BUSINESS**

### **Item #1**

**#3764 NS: Levering Regional Health Care Center**

**Hannibal (Marion County)**

**\$3,720,630, Request for second extension**

Contact Person: Ashwin Dundoo, 573-221-2930

On July 18, 2005, a Certificate of Need (CON) was issued to Levering Associates, LLC, and Levering Regional Health Care Center, to add 60 skilled nursing facility (SNF) beds at Levering Regional Health Care Center located at 1734 Market Street, Hannibal 63401. The approved cost was \$3,720,630.

On January 18, 2006, the applicants were granted their first six-month extension to July 18, 2006. Their request stated that, as a result of additional review and modification of their plans (including a change in contractor), there had been a delay in breaking ground on this project. At that time, they expected to do so this past spring.

On July 13, 2006, the applicants submitted a Periodic Progress Report (PPR) and a request for a second six-month extension. They had decided to pursue HUD financing and were in the process of responding to requests for information from HUD as part of the funding application process.

The second six-month extension would go to January 18, 2007. The applicants stated that they expect to begin construction in January 2007. They also anticipate having a cost overrun on this project, but don't have the final amount at this time. However, they intend to keep the Committee apprised of further developments as they occur.

*Information relating to this request is in the Additional Information envelope included in this Compendium mailing.*

## E. OTHER BUSINESS

### Item #2

**#3869 NM: Lutheran Convalescent Home at Laclede Groves**

**Chesterfield (St. Louis County)**

**\$1,450,100, Request to Reissue CON for Cost Overrun of \$450,100**

Contact Person: Joseph V. Kunkemueller, 314-446-2563

On March 24, 2006, a Certificate of Need (CON) was issued to Lutheran Senior Services, to renovate/modernize a 240-bed skilled nursing facility known as Lutheran Convalescent Center at Laclede Groves located at 723 South Laclede Station Road, St. Louis 63119. The approved cost of the project was \$1,000,000.

On July 24, 2006, the applicant submitted a cost overrun request in the amount of \$450,100 above the original approved cost. A comparison between the original project costs and the current estimated project costs is shown on the following table:

<u>Category</u>	<u>Approved Cost</u>	<u>Revised Cost</u>	<u>Difference</u>
Renovation	\$829,000	\$1,226,600	\$397,600
Equipment	100,000	159,000	59,000
Fees	71,000	64,500	(7,000)
TOTAL	\$1,000,000	\$1,450,100	\$450,100

Although a small portion of the increase is due to higher petroleum prices and higher material cost, most of it is due to applicant error. In the original application, the applicant stated that plans were to renovate three floors. However, the applicant inadvertently used the estimate for renovation of two floors. As a result, the original CON application was about two-thirds of the actual cost estimate for the whole project.

The applicant apologized for the oversight and provided the required additional information and additional application fee. Information relating to this request is in the "Additional Information" envelope included in this Compendium mailing.

## **E. OTHER BUSINESS**

### **Item #3**

**#3935 HM: St. Luke's Hospital**

**Chesterfield (St. Louis County)**

**\$3,350,000, Request to reissue CON to change owner**

Contact Person: Katie C. Pawlitz, 314-621-2939

On July 17, 2006, a Certificate of Need (CON) was issued to St. Luke's Hospital and General Electric Capital Corporation, to replace a linear accelerator located at 232 South Woods Mill Road in Chesterfield 63017. The approved cost of the project was \$3,350,000.

On August 16, 2006, a request was received from the applicant asking that the CON be reissued to St. Luke's Hospital as the sole owner and operator of the equipment.

The applicant stated that this proposed change would have no impact on the project cost. A new Applicant Identification form was provided to reflect the proposed changes.

*Information relating to this request is in the Additional Information envelope included in this Compendium mailing*

## **E. OTHER BUSINESS**

### **Item #4**

**#3771 HM: St. John's Mercy Medical Center**

**St. Louis (St. Louis County)**

**\$3,990,000, Request to reissue CON to change owner**

Contact Person: Donald E. Kalicak, 314-364-3842

On July 18, 2005, a Certificate of Need (CON) was issued to St. John's Mercy Health System (equipment owner) and St. John's Mercy Medical Center (equipment operator), to acquire a linear accelerator to be located at 615 South New Ballas Road, St. Louis 63141. The approved cost of the project was \$3,990,000.

On August 15, 2006, a letter was received from the applicants requesting that the CON be reissued to change the owner of the equipment to Mercy Equipco-Oncology Services, LLC; St. John's Mercy Medical Center would remain the operator.

The applicants stated that the reason for the change is that other medical equipment items in the David C. Pratt Cancer Center are owned by Mercy Equipco-Oncology Services, LLC. This proposed change would result in all major medical equipment being governed by the same entity. A new Applicant Identification form was provided to reflect the proposed changes.

*Information relating to this request is in the Additional Information envelope included in this Compendium mailing.*



## **E. OTHER BUSINESS**

### **Item #5**

#### **#3353 HM: Greater PET Services of Missouri**

**St. Louis (St. Louis Co.); Sikeston (Scott Co.); Cape Girardeau (Cape Girardeau Co.); Crystal City (Jefferson Co.); Poplar Bluff (Butler Co.); Washington (Franklin Co.); Mexico (Audrain Co.); Rolla (Phelps Co.) Farmington (St. Francois Co.) and Perryville (Perry Co.)**  
**\$1,450,000, Reissue CON to add Moberly Regional Medical Center, Moberly (Randolph Co.) and Ozarks Medical Center, West Plains (Howell Co.)**

Contact Person: Suzanne Perkins, 608-663-6081

On January 27, 2003, a Certificate of Need (CON) for project #3353 HS was issued to Greater PET Services of Missouri, LLC, Northern Shared Medical Services, Inc., Golden Valley Memorial Hospital, and Bothwell Regional Health Center to establish a mobile PET service at:

- Golden Valley Memorial Hospital, 1600 North Second St., Clinton 64735; and
- Bothwell Regional Health Center, 60 East 14th St., Sedalia 65301.

On March 31, 2003, the CON was re-issued to add the following two sites:

- Christian Hospital NE/NW, 1133 Dunn Rd., St. Louis 63136-6192; and
- Missouri Delta Medical Center, 1008 North Main St., Sikeston 63801-5099.

On April 11, 2003, the applicants received a CON Non-Applicability letter to upgrade the mobile PET unit to a PET/CT.

On August 12, 2003, the CON was re-issued to add Audrain Medical Center, 620 E. Monroe St., Mexico 65265-0858, as a service site.

On February 9, 2004, the CON was re-issued to add Poplar Bluff Medical Partners, LLC, 221 Physicians Park, Poplar Bluff 63901, as a service site. St. John's Mercy Medical Center was also removed from the mobile PET/CT route.

On May 24, 2004, the CON was re-issued to add Phelps County Regional Medical Center, 1000 West 10th St., Rolla 65401, as a service site:

On July 19, 2004, the CON was re-issued to add Mineral Area Regional Medical Center, 1212 Weber Road, Farmington 63640, as a service site:

On May 23, 2005, the CON was re-issued to add Perry County Memorial Hospital, 434 North West Street, Perryville 63775-1398, as a service site:

On September 19, 2005, the CON was re-issued to add Moberly Regional Medical Center, 1515 Union Avenue, Moberly 65270, and Ozarks Medical Center, 1100 Kentucky Avenue, West Plains 65775, as service sites.

On August 18, 2006, a request was submitted to add Parkland Health Center, 1101 West Liberty Street, Farmington 63640, as a site.

Greater PET Services of Missouri, LLC, would rent pad space from the hospitals and provide the service. The proposed site would be the 14th on the route. The mobile

## **E. OTHER BUSINESS (cont'd.)**

PET/CT unit would be located at Parkland Health Center one-half day every other week (4% full-time equivalent). Utilization for the remainder of 2006 through 2008 is estimated to be 36, 175, and 200 scans, respectively.

For purposes of this request, the "geographic service area" for Parkland Health Center was defined as St. Francois, Washington, Ste. Genevieve, Madison and Iron Counties which has a 2010 projected population of 130,125.

The population-based need formula ( $\text{Unmet Need} = (S \times P) - U$ ) was utilized for the "geographic service area" as shown below:

where: S = Service-specific need rate of one PET unit per 500,000 population  
P = Year 2010 population in the service area  
U = Number of PET units in the geographic service area

$\text{Unmet Need} = 1/500,000 \times 130,125 - .08^* = \mathbf{0.18 \text{ units needed}}$   
(\*unit located at Mineral Area Regional Medical Center, Farmington)

Based on the need methodology in the Committee's Rules, a **need was documented for** the proposed 0.04 full-time equivalent unit.

The applicants stated that proposed charges for both locations for 2006, 2007, and 2008 would be \$3000, \$3180 and \$3371, respectively, for the scan, and \$300, \$330 and \$363, respectively, for the reading. These charges are in the same range as the majority of facilities on the applicants' mobile PET routes.

The applicants' request included three letters of support from physicians for the Parkland Health Center site. Copies of the Pad Rental Agreements were also provided.

If approved by the Committee, the CON for this project would be re-issued to reflect the requested modifications as shown below. The mobile PET/CT would provide service in Missouri five days per week:

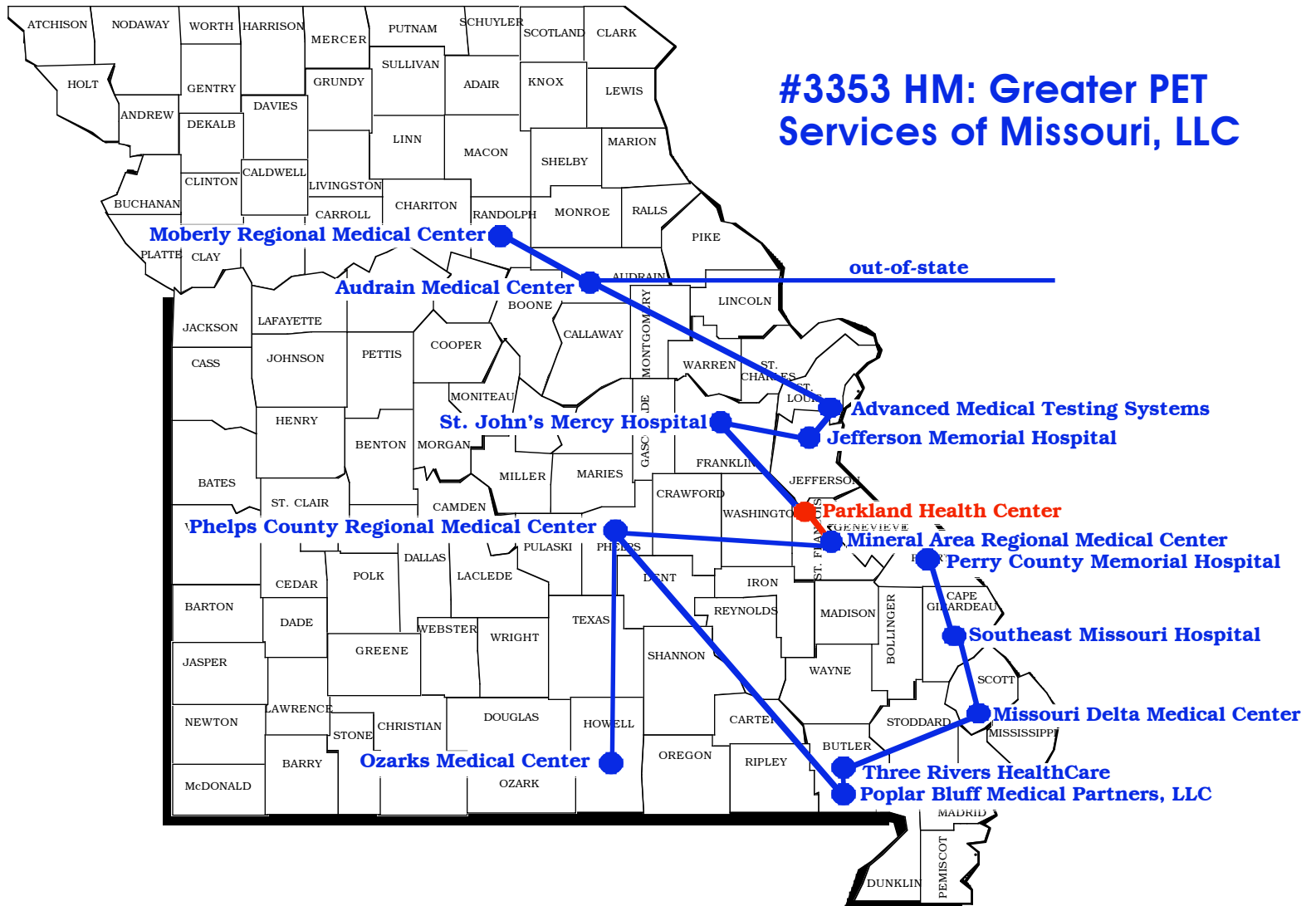
- Greater PET Services of Missouri, LLC;
- Northern Shared Medical Services, Inc.;
- Southeast Missouri Hospital, 1701 Lacey St., Cape Girardeau 63701-5299 (1/2 day each week);
- Jefferson Memorial Hospital, Hwy. 61 South, Crystal City 63019 (1/2 day each week);
- Advanced Medical Testing Systems, Inc., 235 Dunn Rd., Florissant 63031 (1/2 day each week);
- Three Rivers Health Care, 2620 N. Westwood, Poplar Bluff 63901-2341 (1/2 day every other week);
- St. John's Mercy Hospital, 200 Madison Ave., Washington 63090 (1/2 day each week);
- Missouri Delta Medical Center, 1008 N. Main St., Sikeston 63801-5099 (1/2 day every other week);
- Audrain Medical Center, 620 E. Monroe St., Mexico 65265 (1/2 day every week);
- Poplar Bluff Medical Partners, LLC, 221 Physicians Park, Poplar Bluff 63901 (1/2 day every week); and

## **E. OTHER BUSINESS (cont'd.)**

- Phelps County Regional Medical Center, 1000 West 10th St., Rolla 65401 (1/2 day every week);
- Mineral Area Regional Medical Center, 1212 Weber Road, Farmington 63640 (1/2 day every week);
- Perry County Memorial Hospital, 434 North West Street, Perryville 63775-1398 (1/2 day every other week);
- Moberly Regional Medical Center, 1515 Union Avenue, Moberly 65270; (1/2 day every other week);
- Ozarks Medical Center, 1100 Kentucky Avenue, West Plains 65775 (1/2 day every week); and
- Parkland Health Center, 1101 West Liberty Street, Farmington 63640 (1/2 day every other week).

The map on page 4 shows the sites on the route if approval were granted by the Committee. The applicants have provided all of the appropriate replacement forms to reflect the changes to the original CON (copies included in this mailing).

## E. OTHER BUSINESS (cont'd.)



## **E. OTHER BUSINESS**

### **Item #6**

**#3773 NS: The 5700 Properties, SNF, LLC**

**St. Louis (St. Louis County)**

**\$8,400,000, Request for Second Extension and Potential Forfeiture of  
CON to Replace a 98-Bed SNF**

Contact Person: Craig W. Elmore, 913-345-0048

On June 21, 2005, a Certificate of Need (CON) was issued to The 5700 Property, LLC, and The 5700 Properties, SNF, LLC, to replace Harry S. Truman Restorative Center, a 98-bed SNF located at 5700 Arsenal Street, St. Louis, MO 63139, with a new 98-bed SNF to be located at 10132-10134-10136 West Florissant Road, St. Louis, MO 63136. The approved cost of the project was \$8,400,000.

On March 6, 2006, the applicants were granted a six-month extension to June 20, 2006, to allow time to incur a capital expenditure on the project through the commencement of aboveground construction.

On August 1, 2006, the applicants were sent a letter indicating that the project would be placed on the September 18, 2006, meeting agenda of the Missouri Health Facilities Review Committee (Committee) for potential forfeiture for failure to file the required Periodic Progress Report (PPR) for the period ended June 20, 2006, and failure to incur a capital expenditure.

The current CON Rules 19 CSR 60-50.700(5) state:

A CON shall be subject to forfeiture for failure to:

- (A) Incur a project-specific capital expenditure within twelve (12) months...; or
- (B) File the required Periodic Progress Report.

On August 16, 2006, a PPR for the six-month period ended June 20, 2006, was received. At that time, the applicant also requested a second six-month extension (copy included in the information package in the Compendium mailing).

This project is still subject to potential forfeiture because the PPR and additional information provided by the applicants confirmed that no capital expenditures have been incurred. The applicants state that delays have occurred due to their looking for a different project site. Such a site was located, however they could not obtain the necessary zoning change. They state that another site has been located and that a second extension would allow them time to file the required site change request and move forward on the project.

Since a request for a site change could not be reviewed until the November 20, 2006, meeting, it is likely that a third extension request would also be required.

## **E. OTHER BUSINESS**

### **Item #7**

**#3758 NP: Woodland Manor Nursing Center**

**Arnold (Jefferson County)**

**\$3,235,600, Potential forfeiture of CON for a LTC Bed Expansion  
of 38 SNF Beds**

Contact Person: Richard D. Watters, 314-621-2939

On May 23, 2005, a Certificate of Need (CON) was issued to Mid America Health Care Limited partnership for a long-term care bed expansion of Woodland Manor Nursing Center located at 100 Woodland Court, Arnold, MO 63010, through the purchase of 38 SNF beds from Harry S. Truman Restorative Center located at 5700 Arsenal Sreet, St. Louis, MO 63139. The approved cost of the project was \$3,235,600.

On February 15, 2006, the applicant was granted a six-month extension to May 22, 2006, to allow time to incur a capital expenditure on the project through the commencement of aboveground construction.

On August 14, 2006, a Periodic Progress Report (PPR) for the six-month period ended May 22, 2006, was received. That report confirmed that there has been no construction on the project.

On August 16, 2006, the applicant was sent a letter indicating that the project would be placed on the September 18, 2006, meeting agenda of the Missouri Health Facilities Review Committee (Committee) for potential forfeiture for failure to incur a capital expenditure through aboveground construction.

The current CON Rules 19 CSR 60-50.700(5) state:

A CON shall be subject to forfeiture for failure to:

- (A) Incur a project-specific capital expenditure within twelve (12) months...; or
- (B) File the required Periodic Progress Report.

At this writing, no additional information or a request for a second extenson has been received from the applicant.

## E. OTHER BUSINESS

### Item #8

#### #3765 NS: Frene Valley Geriatric & Rehab Center

#### Hermann (Gasconade County)

#### \$2,000,000, Request to amend application

Contact Person: Tom D. Vaughn, 573-761-1108

On June 21, 2005, a Certificate of Need (CON) was issued to Frene Valley Corporation and Lloyd Healthcare Management to replace Frene Valley Geriatric & Rehab. Center, a 30-bed skilled nursing facility (SNF). According to the application, the beds would be replaced in a new 12,600 square foot addition at Frene Valley Healthcare Center, 1800 Wein Street, Hermann 65041. The approved cost of the project was \$2,000,000.

On March 8, 2006, a six-month extension was granted to June 20, 2006, to incur a capital expenditures on the project through aboveground construction.

On June 16, 2006, a Periodic Progress Report (PPR) was filed which showed that there had been no aboveground on the new addition. On June 26, 2006, the contact person for the project was informed that it would be necessary for them to request a second six-month extension if they wished to proceed with the project.

On August 28, 2006, the applicants submitted a request to amend the application to include renovation of existing space and reduce the square footage of the new addition for the 30 SNF beds. The renovation would include the following:

- Expansion of a dining room;
- Expansion of the kitchen;
- Conversion of existing space to use for some of the new SNF beds; and
- Construction of a 9,000 square foot addition.

The applicants also provided an amended PPR to show the renovation which has already been completed. They also provided replacement pages for the original application which would change as a result of the amendment.

The total project budget of \$2,000,000 would remain the same. However, the amounts originally submitted for construction and renovation would be amended as shown below:

	Original <u>Application</u>	Amended <u>Application</u>
New Construction	\$1,385,900	\$1,235,900
Renovation	\$100,000	\$250,000

Since the overall project amount did not change, an additional application fee was not required.

*Information relating to this request is in the Additional Information envelope included in this Compendium mailing.*

## **E. OTHER BUSINESS**

### **Item #9**

**#3500 NP: Community Care Center of Lemay, Inc.**

**St. Louis (St. Louis County)**

**\$1,230,000, Potential forfeiture of CON for a LTC Bed Expansion  
of 45 SNF Beds**

Contact Person: James J. Giardina, 636-394-3000

On October 24, 2003, a Certificate of Need (CON) was issued to Community Care Center of Lemay, Inc., 9353 South Broadway, St. Louis, Mo 63125, for a long-term care bed expansion through the purchase of 45 SNF beds from Smith-Barr Manor located at 2407 Georgia, Louisiana, MO 63353. The approved cost of the project was \$1,230,000.

On April 21, 2004, the applicant was granted a six-month extension to October 23, 2004, to allow time to incur a capital expenditure on the project through the commencement of aboveground construction.

On January 24, 2005, the applicant was granted a second six-month extension to April 24, 2005, to allow additional time to incur a capital expenditure on the project through the commencement of aboveground construction.

Following the second extension, the applicant did not file timely Periodic Progress Reports (PPR)s for the six-month periods ended on April 24, 2005, October 24, 2005, and April 24, 2006.

On August 1, 2006, the PPRs for the missing time periods were received. However, the reports confirmed that there has still been no aboveground construction on the project.

On August 1, 2006, the applicant was sent a letter indicating that the project would be placed on the September 18, 2006, meeting agenda of the Missouri Health Facilities Review Committee (Committee) for potential forfeiture for failure to incur a capital expenditure through aboveground construction.

The current CON Rules 19 CSR 60-50.700(5) state:

A CON shall be subject to forfeiture for failure to:

- (A) Incur a project-specific capital expenditure within twelve (12) months...; or
- (B) File the required Periodic Progress Report.

At this writing, no additional information has been received from the applicant.



## **E. OTHER BUSINESS**

### **Item #10**

#### **#3686 RS: Parkview Residential Care**

#### **Crystal City (Jefferson County)**

#### **\$1,000,000, Potential forfeiture of CON to Replace 51-Bed RCF I**

Contact Person: Sherry Brockmeyer, 636-933-4714

On January 24, 2005, a Certificate of Need (CON) was issued to Phillippe Jean-Baptiste, Deborah Hanneman and DMP Enterprises, Inc., to replace Country Aire Retirement Home, a 51-bed residential care facility I, located at 2800 Country Aire Estates Drive, DeSoto, MO 63020. The bed replacement would be accomplished by constructing a 6,000 square foot addition to Parkview Residential Care located at 26 Mississippi, Crystal City, MO 63019. The approved cost was \$1,000,000.

Even with repeated notices that Periodic Progress Reports were due, the applicants failed to submit the information in a timely manner. Thus, on August 16, 2006, the applicants were sent a letter indicating that the project would be placed on the September 18, 2006, meeting agenda of the Missouri Health Facilities Review Committee (Committee) for potential forfeiture for failure to submit the required progress reports and failure incur a capital expenditure through aboveground construction.

After a followup telephone call on August 25, 2006, the reports for the six-month periods which ended on July 23, 2005, January 23, 2006, and July 23, 2006, were submitted by fax. However, a review of those reports confirmed that there has still been no aboveground construction on the project. In addition, there have been no requests for extensions.

The current CON Rules 19 CSR 60-50.700(5) state:

A CON shall be subject to forfeiture for failure to:

- (A) Incur a project-specific capital expenditure within twelve (12) months...; or
- (B) File the required Periodic Progress Report.

Several attempts to contact the applicants by telephone, fax and e-mail to obtain additional information on August 28, 2006, were unsuccessful. At this writing, no additional information has been received from the applicant. Thus, this project is still subject to forfeiture for failure to incur a capital expenditure through aboveground construction.

**End of  
Certificate of Need  
Meeting  
Compendium**

# **Missouri Health Facilities Review Committee**

## **Administrative Meeting Compendium**



**Sept. 18, 2006**

**State Capitol Building  
House Hrg. Rm. 7  
Jefferson City, MO**

**Missouri Health Facilities Review Committee**  
**Administrative Meeting**  
**Monday, September 18, 2006, Approximately 12:00 noon**  
**House Hearing Room #7, Capitol Building, Jefferson City**

**Tentative Agenda**

Discussion Topics\*

Action Requested

**A. Perfect the Agenda..... Approve**

**B. Legal Counsel Report**

1. Litigation Issues (BV)..... Report

2. Other Issues.....Discuss

**C. Regular Activities**

1. Non-Applicability Issues (MH)

Report of Non-Applicability Letters Issued<sup>1</sup>.....Approve

2. Expedited Review Decisions (DS)

a. June 21, 2006 (none)..... Report

b. July 24, 2006, Expedited Decisions<sup>1</sup>..... Report

c. August 21, 2006, Expedited Decisions (none)..... Report

3. Tentative Agendas (DS)

a. September 21, 2006 Expedited Ballot<sup>1</sup>..... Report

b. October 23, 2006, Expedited Ballot..... Report

c. November 20, 2006 CON Meeting.....Report

4. Meeting Calendar Review (TP)

a. 2006 Proposed Meeting Calendar<sup>1</sup>.....Review

b. 2007 Proposed Meeting Calendar<sup>1</sup>..... Approve

**D. Specific Management Issues**

1. Proposed Rules<sup>1</sup>.....Approve

2. Other (TP)..... Report

<sup>1</sup> Mailed: August 29, 2006

Updated: August 25, 2006

# Suggested Motions

## I. Motions for Action on Applications

### A. Approve as Submitted:

I move we certify a need for project# \_\_\_\_\_ as set forth in the application.

### B. Approve for Less:

I move we certify a need for less than what was originally sought in project # \_\_\_\_\_ by granting approval for all portions except the \_\_\_\_\_ which would be reduced from \_\_\_\_\_ to \_\_\_\_\_.

### C. Denial:

I move we refuse to certify a need project # \_\_\_\_\_ for the reasons set forth as follows (list reasons):

## II. Motions to Close Meeting (Closed Session)

### A. I move that this meeting be closed, and that all records and votes, to the extent permitted by law, pertaining to and/or resulting from this closed meeting be closed under Section 610.021 (choose one of the following):

1. Subsection (1) RSMo for the purpose of discussing **general legal actions, causes of action or litigation, and any confidential or privileged communications between this agency and its attorney.**
2. Subsection (3) RSMo for the purpose of **discussing hiring, firing, disciplining or promoting an employee of this agency.**
3. Subsection (13) RSMo for the purpose of making **performance ratings pertaining to individual employees.**
4. For the purpose of **reviewing and approving the closed minutes of one or more previous meetings** and which authorized this agency to go into closed session during those meetings.
5. Subsection (14) and Section 620.010.14, Subsection (7) RSMo for the purpose of discussing **investigative reports and/or complaints and/or audits and/or other information pertaining to a licensee or applicant.**

### B. I move that this closed meeting be adjourned and that we return to Open Session.

**Committee confirmation of  
Non-Applicability CON Letters Issued  
for period June 17, 2006 - August 22, 2006  
(sorted by "Issue Date")**

Project Information				Description		Dates Decision		Applicant
Number	Name	Address City Zip		Proposed Activity	Original Proj Cost	LOI Rec'd Test Verified	Issue Date Decision	Name Phone No.
3937NA	NHC HealthCare, Town & Country	13995 Clayton Rd. Town & 63017		Upgrade life safety system		04/25/00	05/04/06	NHC HealthCare/T & C, LLC (own/op)
				St. Louis County	\$2,000,000	05/04/06	Not Applicable	636-227-5070
3940NA	St. Francois Manor	1180 Old Jackson Rd. Farmington 63640		Add 10 SNF beds		04/14/06	05/04/06	St. Francois Place, LLC (owner)
				St. Francois	\$0	05/04/06	Not Applicable	573-701-1100
3940NA	St. Francois Manor	1180 Old Jackson Rd. Farmington 63640		Add 10 SNF beds		04/14/06	05/04/06	St. Francois Manor, Inc. (operator)
				St. Francois		05/04/06	Not Applicable	573-701-1100
3941FA	Washington County Dialysis Clinic	828 E. High St., Ste. 2 Potosi 63664		Acquire equipment for dialysis center		04/25/06	05/04/06	National Renal Alliance, LLC (owner)
				Washington	\$392,900	05/04/06	Not Applicable	615-771-4400
3941FA	Washington County Dialysis Clinic	828 E. High St., Ste. 2 Potosi 63664		Acquire equipment for dialysis center		04/25/06	05/04/06	NRI-Wash County, MO LLC (op)
				Washington		05/04/06	Not Applicable	615-771-4400
3942FA	Sugar Creek Cancer Center, LLC	324 Emerson Rd., Ste. A High Ridge 63049		Acquire linear accelerator		04/25/06	05/04/06	Sugar Creek Cancer Ctr, LLC (own/op)
				Jefferson	\$987,318	05/04/06	Not Applicable	314-369-0075
3943NA	Westphalia Retirement Center	1899 Hwy. 63 Westphalia 65085		Add 5 SNF beds		04/25/06	05/04/06	Retirement Center Mgmnt, Inc. (own/op)
				Osage	\$25,000	05/04/06	Not Applicable	573-455-2280
3944NA	Regency Care Center of Independence, LC	1800 Swope Dr. Independence 64057		Add 10 SNF beds		04/26/06	05/04/06	Regency Properties, LC (owner)
				Jackson	\$0	05/04/06	Not Applicable	314-257-2566
3944NA	Regency Care Center of Independence, LC	1800 Swope Dr. Independence 64057		Add 10 SNF beds		04/26/06	05/04/06	Regency Care Ctr of Independence (op)
				Jackson		05/04/06	Not Applicable	314-257-2566
3945RA	Willow Brooke Assisted Living by Americare	1 North Potomac Court Union 63084		Modernize LTC facility		04/27/06	05/04/06	Union Residential, LLC (owner/operator)
				Franklin	\$390,000	05/04/06	Not Applicable	573-471-1113
3946RA	Harvester Home Residential Care, Inc.	54 Lillian Dr. St. Charles 63304		Modernize LTC facility		05/03/06	05/04/06	Harvester Home Real Estate, LLC (own)
				St. Charles	\$179,200	05/04/06	Not Applicable	314-267-1075
3946RA	Harvester Home Residential Care, Inc.	54 Lillian Dr. St. Charles 63304		Modernize LTC facility		05/03/06	05/04/06	Harvester Home Res Care, Inc. (operator)
				St. Charles		05/04/06	Not Applicable	314-267-1075
3948NA	Seneca House #2	914 Chickesaw St. Seneca 64865		Establish 19-bed SNF		05/09/06	05/10/06	CCC Seneca, LLC (owner)
				Newton	\$459,558	05/10/06	Not Applicable	636-394-3000

Type of Project: H - Hospital R - Residential Care Facility  
N - Nursing Home A - Applicability  
F - Freestanding

Report produced by the Missouri Certificate of Need Program on 8/29/2006

LOI Rec'd. - Letter of Intent Received  
Test Verified - Non-Applicability Test Completed  
Issue Date - Letter signed by Chairman

**Committee confirmation of  
Non-Applicability CON Letters Issued  
for period June 17, 2006 - August 22, 2006  
(sorted by "Issue Date")**

Project Information				Description		Dates Decision		Applicant
Number	Name	Address City Zip		Proposed Activity	Original Proj Cost	LOI Rec'd Test Verified	Issue Date Decision	Name Phone No.
3948NA	Seneca House #2	914 Chickesaw St. Seneca 64865		Establish 19-bed SNF		05/09/06	05/10/06	Community Care Ctr of Seneca, Inc. (op)
				Newton		05/10/06	Not Applicable	636-394-3000
3949RA	Crystal Manor of Adrian	Rt. 2, Box 490 Adrian 64720		Add 1 RCF I bed		05/09/06	05/10/06	Spectrum Partners, LLC (owner/operator)
				Bates	\$4,283	05/10/06	Not Applicable	573-657-1920
3952FA	Farmington Reg. Radiation Therapy Services	1175 Karsch Blvd. Farmington 63640		Replace simulator		05/16/06	05/17/06	Bethesda Resources, Inc. (owner/
				St. Francois	\$34,000	05/17/06	Not Applicable	800-451-4959
3953NA	The Villa	1550 Villa Dr. DeSoto 63020		Add 4 SNF beds		05/16/06	05/17/06	DeSoto Res Care Apts., Inc. (owner/op)
				Jefferson	\$15,000	05/17/06	Not Applicable	636-586-6559
3957NA	Lutheran Convalescent Home at Laclede Groves	723 S. Laclede Station Rd. St. Louis 63119		Add 6 SNF beds		05/26/06	06/01/06	Lutheran Senior Services (owner/op)
				St. Louis County	\$99,900	06/01/06	Not Applicable	314-968-9313
3958NA	Carmel Hills Healthcare	810 E. Walnut Independence 64050		Add 10 SNF beds		05/31/06	06/01/06	East Walnut Property, LLC (owner)
				Jackson	\$0	06/01/06	Not Applicable	816-461-9600
3958NA	Carmel Hills Healthcare	810 E. Walnut Independence 64050		Add 10 SNF beds		05/31/06	06/01/06	Carmel Hills Hlthcr and Rehab, LLC (op)
				Jackson		06/01/06	Not Applicable	816-461-9600
3969FA	Kansas City Cancer Center	8700 N. Green Hills Rd. Kansas City 64151		Acquire PET/CT		06/13/06	06/21/06	US Oncology (owner)
				Platte	\$979,083	06/21/06	Not Applicable	800-381-2637
3969FA	Kansas City Cancer Center	8700 N. Green Hills Rd. Kansas City 64151		Acquire PET/CT		06/13/06	06/21/06	US Oncology (owner)
				Platte		06/21/06	Not Applicable	800-381-2637
3974NA	Shirkey Nursing & Rehabilitation Center	804 Wollard Blvd. Richmond 64085		Add 10 SNF beds		07/07/06	07/14/06	Shirkey Nursing & Rehab Ctr (own/op)
				Ray	\$575,100	07/14/06	Not Applicable	816-776-5403
3975NA	Shirkey Nursing & Rehabilitation Center	804 Wollard Blvd. Richmond 64085		Add 10 SNF beds		07/07/06	07/14/06	Shirkey Nursing & Rehab Ctr (own/op)
				Ray	\$511,200	07/14/06	Not Applicable	816-776-5403
3976RA	Carnegie Village Assisted Living	103 Bernard Dr. Belton 64012		Establish 30-bed RCF II		07/12/06	07/14/06	Carnegie Vill. Asstd Liv, LLC (own/op)
				Cass	\$597,764	07/14/06	Not Applicable	816-331-7848
3980RA	Castleparke Assisted Living Center #2	319 Pioneer Trail Dr. Jefferson City 65109		Establish 12-bed RCF I		07/18/06	07/25/06	K and H Real Estate, LLC (owner)
				Cole	\$583,300	07/25/06	Not Applicable	573-690-9500

Type of Project: H - Hospital R - Residential Care Facility  
N - Nursing Home A - Applicability  
F - Freestanding

Report produced by the Missouri Certificate of Need Program on 8/29/2006

LOI Rec'd. - Letter of Intent Received  
Test Verified - Non-Applicability Test Completed  
Issue Date - Letter signed by Chairman

**Committee confirmation of  
Non-Applicability CON Letters Issued  
for period June 17, 2006 - August 22, 2006  
(sorted by "Issue Date")**

Project Information				Description		Dates Decision		Applicant
Number	Name	Address	City Zip	Proposed Activity	County	LOI Rec'd Test Verified	Issue Date Decision	Name Phone No.
3980RA	Castleparke Assisted Living Center #2	319 Pioneer Trail Dr.	Jefferson City 65109	Establish 12-bed RCF I Cole		07/18/06 07/25/06	07/25/06 Not Applicable	Castleparke Properties, Inc. (operator) 573-690-9500
3981FA	Dialysis Clinic, Inc. – Warrensburg	609 E. Young St.	Warrensburg 64093	Acquire equipment for dialysis facility Johnson		07/26/06 08/02/06	08/02/06 Not Applicable	Dialysis Clinic, Inc. (owner/operator) 615-327-3061
3982RA	St. Jerome Assisted Living Center	US Hwy. 61	Scott City 63780	Establish 24-bed RCF II Scott		07/26/06 08/02/06	08/02/06 Not Applicable	St. Jerome Health Properties, LLC (own) 636-536-5365
3982RA	St. Jerome Assisted Living Center	US Hwy. 61	Scott City 63780	Establish 24-bed RCF II Scott		07/26/06 08/02/06	08/02/06 Not Applicable	Benchmark Healthcare Group, Inc. (op) 636-536-5365

Type of Project: H - Hospital  
N - Nursing Home  
F - Freestanding

R - Residential Care Facility  
A - Applicability

Report produced by the Missouri Certificate of Need Program on 8/29/2006

LOI Rec'd. - Letter of Intent Received  
Test Verified - Non-Applicability Test Completed  
Issue Date - Letter signed by Chairman



**Missouri Health Facilities Review Committee**  
**Expedited Ballot Decisions**  
**July 24, 2006**

- |  |          |
|--|----------|
| 1. <b>#3938 RS:</b> Oak Tree Manor<br>St. Joseph (Buchanan County)<br>\$0, Replace 4 RCF II beds                                 | Approved |
| 2. <b>#3939 RS:</b> Westport Estates Assisted Living<br>Marshall (Saline County)<br>\$1,352,635, Renovate/modernize LTC facility | Approved |
| 3. <b>#3950 HS:</b> Saint Louis University Hospital<br>St. Louis (St. Louis City)<br>\$2,539,522, Replace PET/CT scanner         | Approved |
| 4. <b>#3951 HS:</b> St. Joseph Medical Center<br>Kansas City (Jackson County)<br>\$1,362,320, Replace CT scanner                 | Approved |

**Missouri Health Facilities Review Committee  
Expedited Applications  
for September 21, 2006 Decisions**

**Mail Ballot Agenda**

<u>Filing Date/Reviewer</u>	<b>New Business: Expedited applications</b> <u>Application Project Number &amp; Name/City &amp; County/Cost &amp; Description</u>
08/04/06 (MH)	1. <b>#3919 HS:</b> St. John's Regional Medical Center Joplin (Jasper County) \$1,665,000, Replace CT unit
08/04/06 (MH)	2. <b>#3967 HS:</b> St. John's Regional Medical Center Joplin (Jasper County) \$2,312,000, Replace linear accelerator
08/10/06 (MH)	3. <b>#3971 NP:</b> Beauvais Manor on the Park St. Louis (St. Louis City) \$210,000, LTC bed expansion through the purchase of 38 SNF beds
08/10/06 (MH)	4. <b>#3973 NS:</b> Ashfield Active Living and Wellness Communities Kirkwood (St. Louis County) \$12,000,000, Replace 53 SNF beds
08/10/06 (MH)	5. <b>#3977 HS:</b> St. Anthony's Medical Center St. Louis (St. Louis County) \$1,343,523, Replace cardiac catheterization unit
08/10/06 (MH)	6. <b>#3970 HS:</b> Fitzgibbon Hospital Marshall (Saline County) \$1,542,615, Replace MRI
08/10/06 (MH)	7. <b>#3978 HS:</b> Barnes-Jewish St. Peters Hospital St. Peters (St. Charles County) \$1,748,190, Replace MRI unit
08/10/06 (MH)	8. <b>#3979 HS:</b> Christian Hospital St. Louis (St. Louis County) \$2,042,461, Replace cardiac catheterization unit

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<b>March</b>						
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31						

# Approved 2006 MHFRC Meeting Calendar

## Certificate of Need & Administrative Meetings

January 23.....Jefferson City

April 3.....Jefferson City

May 22.....Jefferson City

July 17.....Jefferson City




September 18.....Jefferson City

November 20.....Jefferson City

January 22, 2007.....Jefferson City

## Administrative Workshop

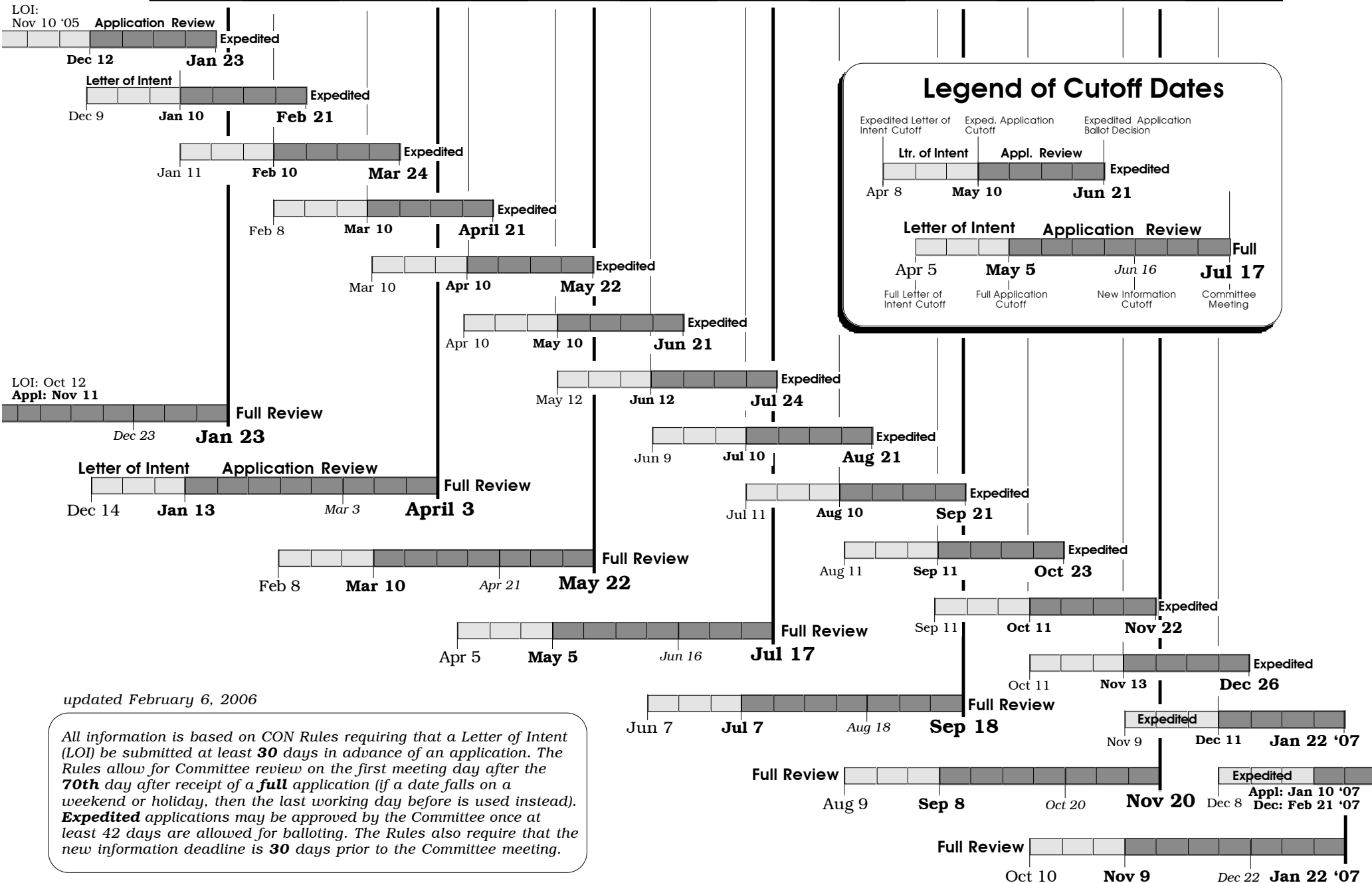
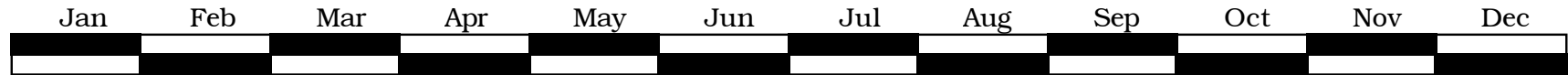
October 16.....Jefferson City

-  CON/Admin. Meetings
-  Committee Workshop
-  Round Table Meetings  
(state agencies info exchange)



Revision date: February 6, 2006

# 2006 Letter of Intent and Application Review Calendar



updated February 6, 2006

All information is based on CON Rules requiring that a Letter of Intent (LOI) be submitted at least **30** days in advance of an application. The Rules allow for Committee review on the first meeting day after the **70th** day after receipt of a **full** application (if a date falls on a weekend or holiday, then the last working day before is used instead). **Expedited** applications may be approved by the Committee once at least 42 days are allowed for balloting. The Rules also require that the new information deadline is **30** days prior to the Committee meeting.

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<b>January</b>						
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<b>March</b>						
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<b>April</b>						
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
<b>May</b>						
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
<b>June</b>						
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
<b>July</b>						
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				
<b>August</b>						
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
<b>September</b>						
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						
<b>October</b>						
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
<b>November</b>						
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
<b>December</b>						
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

# Proposed 2007 MHFRC Meeting Calendar

## Certificate of Need & Administrative Meetings

January 22.....Jefferson City

March 26.....Jefferson City

June 4.....Jefferson City

August 6.....Jefferson City




October 1.....Jefferson City

December 3.....Jefferson City

January 28, 2008.....Jefferson City

## Administrative Workshop

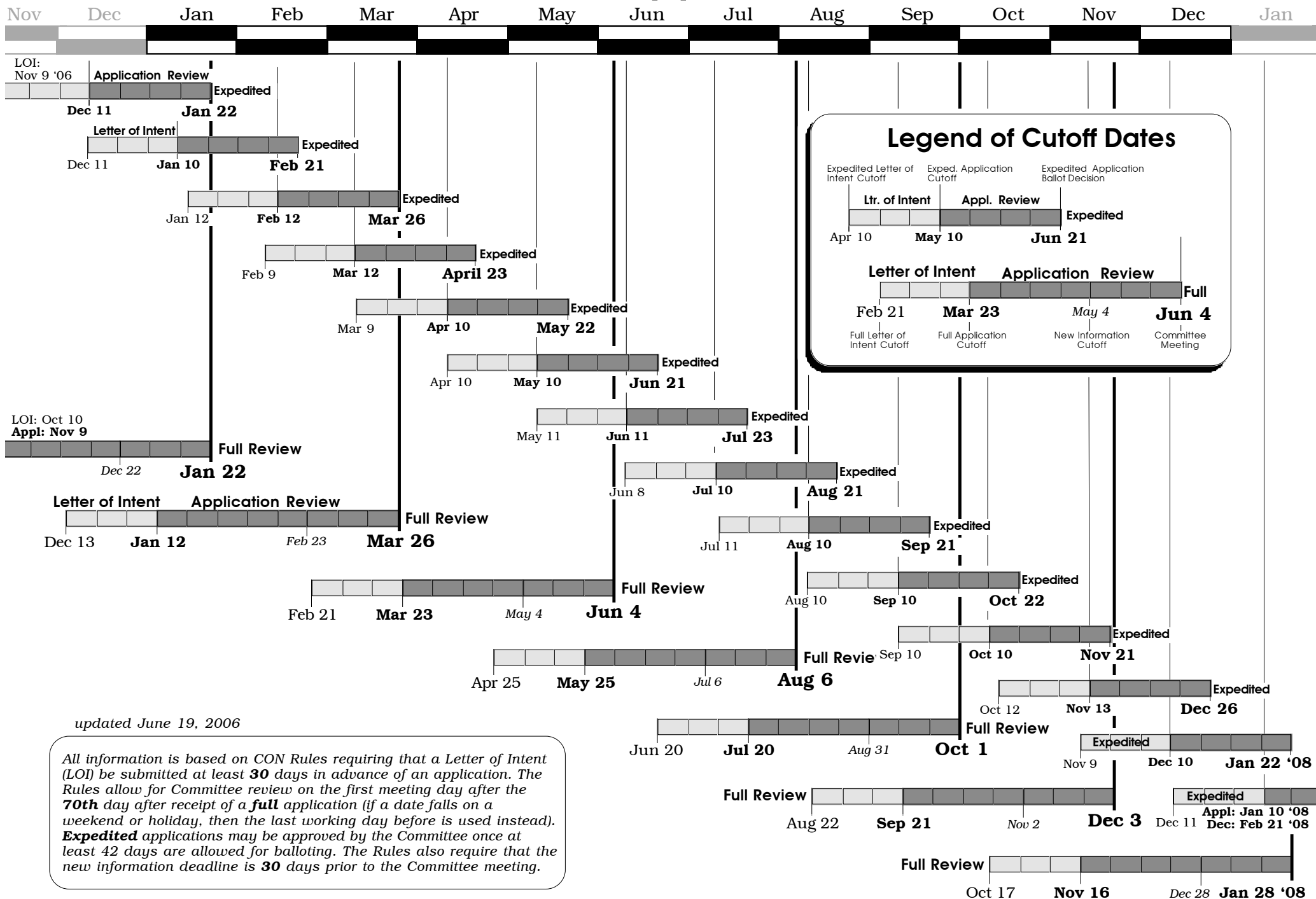
November 5.....Jefferson City

-  CON/Admin. Meetings
-  Committee Workshop
-  Round Table Meetings  
(state agencies info exchange)



Revision date: June 19, 2006

# 2007 Letter of Intent and Application Review Calendar



**MHFRC****Missouri Health Facilities Review Committee**

Post Office Box 570, Jefferson City, MO 65102

Voice: (573) 751-6403

Fax: (573) 751-7894

Website: &lt;www.dhss.mo.gov/con&gt;

H. Bruce Nethington, Chair  
Milamari A. Cunningham, M., Vice-ChairMarion S. Pierson, MD  
Catherine L. Davis, RN, PhDRep. Thomas A. Villa  
Rep. Kenny JonesSenator Yvonne Wilson  
Senator Bill Stouffer**Memorandum to Missouri Health Facilities Review Committee**

**From:** Thomas R. Piper, Director  
Certificate of Need Program

**Date:** August 28, 2006

**Subject:** New CON Rulebook

Today, a new version of the Certificate of Need Rulebook became effective. This new Rulebook is being included in your September 18 meeting materials for your easy reference at your home or office, and it will be included in the CON Reference Manual when you attend CON meetings.

The motivation for these changes came from the passage of Senate Bill 616 which changed Residential Care Facility II licenses to Assisted Living Facility and provided a variety of other safety and performance improvements for long-term care facilities. On July 17, 2006, you authorized me to file a set of emergency and regular administrative rules which would help us to adapt our CON rules to the new legislation, correct our physical and website location information, and other general housekeeping improvements.

On August 14 the paperwork was submitted to the Joint Committee on Legislative Rules and the Secretary of State's Administrative Rules Division to properly file 10 of our rules for both the emergency and regular amendments. A public hearing will be held on October 16 as part of our annual legislative and rules review by the Committee.

Due to the legislative compliance and housekeeping nature of these changes, we do not anticipate any concerns by interested parties. Should you have any questions or comments, please contact me at your convenience.

/trp

**Enclosure:** Updated CON Rulebook

c: Bill Vanderpool, MHFRC Legal Counsel

# **End of Administrative Meeting Compendium**